

**Meeting of the Academy Transformation Trust Board**

**12 May 2021**

**12:30 to 15:30**

**Venue: MSTEAMS**

*The 7 principles of public life*

*Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership*

<b>Board members</b>	<b>Initial</b>	<b>Position</b>
Pat Beanland	PB	Chair
Tom Clark	TC	Co-Vice-Chair
Richard Elms	RE	Trustee
Michaela Jackson	MJ	Trustee
Simon Jones	SJ	Trustee
Phil Milligan	PJM	Co-Vice-Chair
Alistair Milne	AM	Trustee
Richard Priestley	RP	Trustee
Margaret Wilson	MW	Trustee
<b>Attendees</b>	<b>Initials</b>	<b>Position</b>
Debbie Clinton	DC	CEO
Andy Gannon	AG	DoCA
Peter Wilson – item 5 only	PW	CFOO
Angela Doherty	AD	Clerk

**Minutes**

<b>ITEM</b>	<b>Detail</b>
	<p>The DoCA explained that Trustees had been in restricted session for the first part of the meeting and, following those discussions and taking into account time constraints, Trustees wished to focus the remaining meeting time on the items below:</p> <ul style="list-style-type: none"> <li>• Item 005 – Finance, specifically Budget 21/22</li> <li>• Item 002.1 and 002.2 – CEO report and ATT Dividend</li> <li>• Item 008.2 - Significant change proposals in respect of ICS and THN sixth forms</li> </ul> <p>For all other items papers will be noted as having been received.</p>
<b>001</b>	<b>Routine business</b>
001.1	<p><i>Apologies for absence</i></p> <p>There were no apologies for absence.</p>
001.2	<p><i>Declarations of interest</i></p> <p>There were no declarations of interest for this meeting.</p>
001.3	<p><i>Minutes of the last meeting</i></p> <p>Trustees received the minutes which had been previously circulated.</p>

001.4	<p><i>Matters arising and actions</i></p> <p>All actions from the last meeting were complete</p>
001.5	<p><i>Chair's Actions since the last meeting</i></p> <p>Trustees received the report which had been previously circulated.</p>
<b>002</b>	<b>Strategic Considerations</b>
002.1	<p><i>CEO Report</i></p> <p>Trustees received the report which had been previously circulated. The CEO drew Trustees' attention to the following:</p> <ul style="list-style-type: none"> <li>• An inspection of Ravens is currently underway and it is going well but it has highlighted the worrying fact that Ofsted will not take account the impact of the pandemic when inspecting schools. They will only make judgements based on where each school is on its journey out of category. The CEO is concerned that this ignores the serious impact the pandemic has had on education.</li> <li>• For Ravens it is expected that Ofsted will confirm that progress is being made and that Ravens is on target to be out of category by June 2022.</li> <li>• The CEO and about 22 other CEOs are writing a joint letter to Ofqual questioning how we have come to the current unacceptable situation, and why schools should still pay exam fees when the work was now being done by schools and the schools were not getting any additional funding for this. They are also questioning what is happening in respect of years 10 and 12, for whom no guidance has been received.</li> <li>• Spend on the exam budget to date is £490k (the budget is £998k). The CEO has blocked payment of any more exam invoices unless they are properly itemised.</li> </ul>
002.2	<p><b>Clarification and challenge</b></p> <ol style="list-style-type: none"> <li>1. One Trustee questioned the statement that our partnership work and collaboration constitute an alternative form of growth as it does not usually bring any financial benefits.</li> <li>2. On a point of clarity, one Trustee cautioned against describing a good academy as 'very successful'. She felt that description should be reserved for outstanding academies only.</li> <li>3. One Trustee asked for an update on the #TransformingLearning project. In response the CEO confirmed that we are now down to the final two contractors of the LMS system which underpins the project and that a decision on which to select will be made in May. Teacher interviews for the teacher researcher posts will take place next week with the pilot roll out scheduled for September.</li> <li>4. One Trustee had understood that the system needed to be Moodle based but the final two chosen were not. In response the CEO confirmed that the selection panel had gone through in great detail each of the systems presented and had reached a consensus on the final two.</li> <li>5. In response to a question from a Trustee about what impact the Project Lead leaving ATT will have on the project and if the implementation date was still achievable, the CEO reassured Trustees that the project was on schedule. The Project Lead has drawn up a proposed leadership structure for the project moving forward which the CEO is currently reviewing. Trustees will be kept informed of progress.</li> </ol>
002.3	<p><i>ATT dividend</i></p> <p>The report had been previously circulated. The CEO drew Trustees' attention to the following:</p>

	<ul style="list-style-type: none"> <li>• The paper had been produced in response to the Board’s request to have more clarity on the future structure of the Education Team which the CEO has done but has also taken the opportunity to provide a broader look at where ATT was, where it is at and where it is heading.</li> <li>• The CEO had asked the REDs for their input on what they thought the education structure should be and this was shared with other ELT members and one or two Trustees.</li> <li>• The Education Team structure is still less than 2 years’ old and one of those years has been dealing with a pandemic. The structure was designed to ensure that systems and processes were put in place and were clear and the intention had always been to then review it .</li> <li>• Current thinking is to appoint one of the REDs to an Education Director post and then have 2 education leaders (1 Primary and 1 Secondary) appointed from the current REDs and EPs. The role of Principals in secure academies would be expanded to give them more leadership responsibilities.</li> </ul>
002.4	<p><b>Clarification and challenge</b></p> <ol style="list-style-type: none"> <li>1. One Trustee stressed the importance of reflecting on the structure as a whole and asking if we have the right people in the organisation to lead it forward before we proceed with appointing individuals. The CEO confirmed that other directorates are also being reviewed. The DoCA endorsed this explaining that he and the CFOO have begun to review operations/HR structures at the centre and, in liaison with the REDs, in the academies to unpack where accountability lies and what structures would work best moving forward.</li> <li>2. One Trustee noted that we should avoid creating too many silos and advocated a more holistic approach. It would be helpful to have sight of the job descriptions for the roles proposed to ensure that they are linked to each other. In response the CEO endorsed the need to avoid working in isolation.</li> <li>3. Given the importance of SEND, one Trustee questioned who was responsible for it, and who was driving it forward. In response the CEO stated that there was no one person currently but lots of people which she agreed was an issue to be addressed.</li> <li>4. One Trustee asked the CEO to clarify the qualities needed for an Education Director. In response the CEO explained that REDs are mean to ‘act as the CEO in the region’. The person would have an excellent track record of school improvement, would understand the whole spectrum of responsibilities which would come with the role, and they would have the skills and intellect to be able to handle it.</li> <li>5. One Trustee had thought that the Education Director would be directly responsible for, and be held to account for, school improvement, which is an area that Trustees are concerned to see move more quickly. She thought that the job role for the REDs seemed more akin to a business manager. In response the CEO took the view that school improvement is multi-layered and that the best school improvers understand the whole breadth of aspects of the RED’s role from quality of education to pupil admissions to budgets.</li> <li>6. One Trustee restated the need to focus on improving learning outcomes for all students. He needed to see a clear and consistent strategy in place to achieve this goal over the next 3 years and clarity in the relationship between the centre and the academies which the budget would then underpin.</li> <li>7. Trustees were concerned that there is some disconnect between what was reported at SOC and what is presented to the Board. They felt that sometimes the positives</li> </ol>

	<p>were stressed to the Board but it was important to also be honest about what needed further improvement.</p> <p>8. The CEO reminded Trustees that that 11 of the 21 academies had gone up by one judgement, and 8 had stayed the same. But one of the biggest challenges is that there have been no established metrics since 2019 because of COVID, therefore it is difficult to evidence progress when there have been no external reviews. Work is underway on providing better metrics for Trustees in the absence of external judgements to give them the assurances they need in respect of performance. Peer reviews with other Trusts would also be beneficial in providing evidence.</p> <p>9. One Trustee raised the point that Ofsted will be focussing less on performance data and more on curriculum, and would welcome deep dive conversations taking place about the curriculum to show evidence of improvement in this area.</p>
<b>003</b>	<b>Performance – education</b>
003.1	<p><i>Key developments report including Ofsted monitoring</i></p> <p>Trustees received the report which had been previously circulated.</p>
003.2	<p><i>SOC minutes and meeting update</i></p> <p>Trustees received the minutes which had been previously circulated.</p>
<b>004</b>	<b>Performance – people</b>
004.1	<p><i>Key developments report</i></p> <p>Trustees received the report which had been previously circulated.</p>
	<i>PW joined the meeting for this item only</i>
<b>005</b>	<b>Performance – finance and operations</b>
005.1	<p><i>Key developments report</i></p> <p>Trustees received the report which had been previously circulated.</p>
005.2	<p><i>Management Accounts</i></p> <p>Trustees received the report which had been previously circulated.</p>
005.3	<p><i>Budget 2021/2022</i></p> <p>Trustees received the report which had been previously circulated. The Chair of FRC confirmed that the focus of the last FRC meeting had been around the draft budget which was showing a deficit of £3million. The details of the FRC discussion and actions to be taken are in the minutes but the main point was that the deficit level was unacceptable and the CFOO was tasked with revisiting it with ELT with a view to coming back with a balanced budget.</p> <p>The CFOO drew Trustees’ attention to the following:</p> <ul style="list-style-type: none"> <li>• The financial position has been adversely affected by the loss of Mark Hall, which had led to higher central costs, and lower than forecast pupil numbers this year.</li> <li>• The first iteration of the budget with a £3million deficit had been revised following the FRC meeting on 28 April and further discussions with ELT.</li> <li>• ELT had reviewed the options for savings and the decisions and costs savings are detailed in the report.</li> <li>• Staffing costs have seen a significant saving.</li> <li>• All directorates were tasked with cutting non-staffing budgets by 5%.</li> <li>• The implementation of the LMS system will lead to savings in the future as other systems currently used will no longer be needed.</li> </ul>

	<ul style="list-style-type: none"> <li>• ESFA are open to the idea of ATT using some of its built up headroom to cover 2021/2022 deficit and it may be that it has to be used this year.</li> <li>• Predicted pupil numbers have increased following a review by REDs and Principals and this assumed increase in funding has been added into the budget.</li> <li>• The lack of reserves remains an issue.</li> <li>• Sign off of the budget is June with the submission in July.</li> </ul>
005.4	<p><b>Clarification and challenge</b></p> <ol style="list-style-type: none"> <li>1. In response to a question from a Trustee about whether demographics or reputation/competition was the driver behind the fall in pupil numbers the CEO explained that it was due to a variety of factors – sometimes to do with competitors in the area which can impact on even a good academy, sometimes due inaccurate demographic information. She felt that ATT had not been good at understanding local demographics/employment patterns/housing patterns. It needed to be more proactive in understanding the trends to better inform pupil predictions.</li> <li>2. One Trustee expressed concern about the tightness of the budget and asked if there was any contingency to fall back on. In response the CEO confirmed that there was no real contingency because of the absence of effective reserves and this was driving the need to review structures.</li> <li>3. In response to a question from a Trustee regarding the impact of the loss of Mark Hall, the CFOO confirmed that this had had a significant negative impact on the finances of ATT.</li> <li>4. One Trustee asked for more clarity on which of the options outlined in the paper were being taken forward and what the impact of each option was. She was unclear which options were being recommended. The CFOO and CEO confirmed that ELT have recommended that all of the options listed are applied. The impact is detailed in the report against each option and the financial impact of each is detailed in Appendix 9 of the report.</li> <li>5. The Chair noted that the issue of automatic pay progression had been raised at SOC in discussions around automatic increases being given irrespective of performance and asked if ATT had decided it was moving back to performance related pay instead. In response the CEO confirmed that ATT has never agreed to automatic pay progression so there is clearly some misunderstanding. Usually c80% of staff do progress to the next increment but always in the context of what is affordable. What is needed is a review of how we can ensure that we do not reward mediocrity and work to ensure the staff performance is as strong as it can be. The Chair of PAPP endorsed this, explaining that the auto-progression was agreed as a one-off last year due to the exceptional circumstances of COVID. Anyone subject to any formal procedures did not receive an increase. This is all being reviewed by PAPP.</li> <li>6. One Trustee questioned a specific pay decision for an individual in one of our academies and the CEO confirmed that action has been taken to correct this.  Trustees suggested they would welcome more clarification on how much REDs are involved in the financial overview of academies and how decisions around effective use of resources are made.</li> <li>7. One Trustee expressed concern that the figures in the revised budget include an assumption of an increase in student numbers based on pupil predictions, when pupil predictions last year were not correct. Trustees need reassurance that the predictions are accurate in order to be confident that the options presented will be enough to balance the budget.</li> </ol>

8. The Chair of FRC stressed that the discussion at the last meeting of FRC around the use of the ESFA headroom was that it should only be used to cover the costs of any restructuring/change in activity. It is not to be used to balance the budget.
9. Trustee would welcome more clarity on the relationship between the centre and the academies, and the responsibility within the academies for budgets. They stressed the need to ensure adequate guidance is given to academy leaders in order for them to set clear and acceptable budgets.
10. Trustees noted that FRC had agreed that payroll costs of c80% of the budget were too high and ATT needs to reduce this to less than 80% (around 78% would be more usual). One Trustee was particularly concerned that ATT was still some way off being able to get below 80% and could not see a clear plan of how we are going to get there. The CEO agreed that we are not achieving the economies of scale we should be and this is being addressed.
11. The Chair asked how confident we were in the FE bid being successful and what contingency is in place if the bid were to fail. In response the CEO stated that the bid was a strong one but that the outcome would not be known until July. Negotiations are also ongoing with ESFA about ATT being given grant funded status – the initial response had been negative but there is a precedent with another MAT having been granted such status. Discussions have begun with an alternative provider in the event that FE's future should prove to be financially unviable.
12. The Chair asked for confirmation of what guidance academies are given when structuring their leadership models as there appear to be some inconsistencies in the size of leadership teams. In response the CEO explained that it varies from academy to academy at the moment but it should be noted that some senior leaders also teach so this needs to be taken into account when looking at numbers of staff. The intention is to use ICFP to bring more alignment and set parameters which will inform the structures to be put in place. In terms of cost the CEO pointed out that the biggest cost was at UPS level.
13. One Trustee raised the issue that ICFP has to be done Sept/October to inform what the curriculum will look like, and there needs to be set expectations of the teaching workload of the senior leaders in the academies. It is critical to get this right to ensure the most efficient use of resources. She would be keen to know how this was being done centrally given how vital it is for the financial future of the trust. Another Trustee questioned how ICFP was being used, how do we measure its impact and who is looking at the academies from an ICFP point of view.
14. In response to the above the CFOO confirmed that the key drivers are the Principal, EPs, REDs and Head of Education Finance. The CEO further explained that the ICFP documents are scrutinised and are signed off by the REDs but acknowledged that there is still more work to be done. She is confident that the data generated is robust but the question is what we do with that data to ensure that issues are identified and addressed. The data is now being scrutinised simultaneously to enable a comparison across academies to be done which will highlight any anomalies.
15. One Trustee stressed the importance of using the benchmarking data available across the academies to enable us to deploy resources more effectively and where they are needed.
16. In response to a question from the Chair, the CFOO confirmed that the figures in Appendix 9 had not yet been to FRC for scrutiny. The Chair assumed that it would be presented to the next FRC and then to the Board in July for approval. The CFOO stated that there would be almost no change from what was presented today to

	<p>what would go to the Board in July. The CEO endorsed this view stating there was no intention to make changes to the figures presented but, for the next FRC, there will be a clear statement about ICFP across the Trust; clarity on what is central spend vs academy spend, and a report from the REDs providing evidence to back up the increased pupil number projections.</p> <p>17. For the next FRC meeting, the Chair of FRC asked for more detailed work to be done on the figures in the options presented in Appendix 9 and on how we are going to deliver the savings. This was endorsed by another FRC member who wished to see a more balanced picture moving forward and for the figures to be looked at again to identify other areas where more savings can be made.</p>			
005.5	<i>Action</i>			
	A01	Budget to be presented to next FRC taking into account the points raised by Trustees. Following review by FRC, the final budget to be presented to the Board in July	CFOO	FRC 23/6/21 Board 14/7/21
005.6	<i>FRC minutes and meeting update</i>			
	The Chair of FRC summarised the main points from the meeting as outlined in the minutes.			
	<i>PW left the meeting</i>			
<b>006</b>	<b>Risk and compliance</b>			
006.1	<i>Strategic risks report – proposal for workshop on 14 July</i>			
	Trustees received the report which had been previously circulated.			
006.2	<i>Safeguarding</i>			
	Trustees received the report which had been previously circulated.			
<b>007</b>	<b>Corporate Matters</b>			
007.1	<i>Board structures and operation</i>			
	Trustees received the report which had been previously circulated.			
007.2	<i>Trustees’ engagement with academies</i>			
	Trustees received the report which had been previously circulated. .			
<b>008</b>	<b>Specific additional matters</b>			
008.1	<i>COVID -19 response</i>			
	Trustees received the report which had been previously circulated.			
008.2	<i>Significant change proposals in respect of ICS and THN sixth forms</i>			
	Trustees received the report which had been previously circulated. The DoCA drew Trustees’ attention to the fact that the submission of the significant change applications are a requirement of DfE.			
008.3	<b>Clarification and challenge</b>			
	<ol style="list-style-type: none"> <li>1. In response to a question from the Chair, the DoCA confirmed that we would need to submit another significant change application if the sixth form is restarted at Nicholas Hammond.</li> </ol>			
008.4	<b>Resolution</b>			

	<p>The Board approved the submission of a significant change application to permanently close the sixth form at Icenii Secondary Academy.</p> <p>The Board approved the proposal that a significant change application be submitted in respect of a temporary closure of Nicholas Hammond until September 2023.</p> <p>The Board wished to record its support for work to continue apace in order to establish a curriculum and marketing plan for the re-establishment of the sixth form at Nicholas Hammond from September 2023 and that the Regional Education Director and Principal be charged with ensuring that those local stakeholders who responded to the consultation are fully involved in this work.</p>
<b>009</b>	<b>Matters for approval</b>
009.1	There were none.
<b>0010</b>	<b>Any other business</b>
0010.1	There was none
	<i>The meeting ended at 15.40</i>

**Date of next business meeting:**

14 July 2021  
10:00 to 16:00 including strategy session - tbc  
MSTEAMS

*M Beadman*

Signed by Chair ..... Date.....14<sup>th</sup> July 2021.....

**Action log**

A01	Budget to be presented to next FRC taking into account the points raised by Trustees. Following review by FRC, the final budget to be presented to the Board in July	CFOO	FRC 23/6/21 Board 14/7/21
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