

**MINUTES OF THE 31st ANNUAL TRUSTEES' MEETING
HELD ON WEDNESDAY 16th NOVEMBER 2022
AT 9 DEVONSHIRE SQUARE, LONDON EC2M 4HP
@ 11.00**

Present: Lord Ashcroft KCMG (Chair), Ms A E Entwistle, Mr S Harris, Mr P Gaze (via dial-in)

Officers in Attendance: Dr R D B Whitcutt – Chairman of the Executive Board, Mr D G Mitchell – Principal
Mr R J Perry – Vice-Principal and Clerk to the Trustees

Minutes: Mr R J Perry

Lord Ashcroft, welcomed all to the meeting.

Item 1 Election of Chairman and Vice-Chairman

The meeting opened with the election of the Chairman and Vice-Chairman of the Trustees.

Lord Ashcroft was re-appointed as Chairman and Principal Sponsor and Lord Ashcroft appointed Angela Entwistle as Vice-Chairman for the year.

Item 2 Trustee Appointments & Resignations

There had been no new appointments or resignations since the last Annual Trustees Meeting.

Item 3 Declaration of Interests

There were no declarations of interest requiring noting.

Item 4 Apologies for Absence

There were no apologies for absence.

Item 5 Minutes of the Previous Meeting

The Minutes of the meeting held on 17 November 2021 were agreed as a true and accurate record of proceedings and would be signed as such by the Chairman on behalf of the Trustees.

Item 6 Matters arising

There were no matters arising not covered later on the agenda.

Item 7 Report of the Chairman of the Executive Board

Dr Whitcutt informed Trustees that both the Principal and Vice-Principal would provide more detail on another successful year for the Academy, which had begun with a very pleasing Ofsted outcome, within their respective items later within the agenda and he was happy to leave these matters to them. He then updated Trustees on the activities of the Executive Board and separate Finance and Resources Committee but drew attention to one or two members who had missed a number of meetings in the previous academic year, which was being addressed.

He did however, want to raise the matter of the future finances for the Trust and the longer term forecast for the use of the Academy reserves. This was briefly discussed and the matter received further coverage later in the meeting.

The Trustees thanked Dr Whitcutt for his update and for the work undertaken as Chair of both the Executive Board and the Finance and Resources Committee (FRC).

Item 8 Report of the Principal

Douglas Mitchell proudly presented his report to Trustees and firstly talked through the Ofsted judgments that were outstanding across all five areas against which a judgment is made.

This was followed by a focus on the exam outcomes at both Year 11 and Year 13.

Year 11 results produced a Progress 8 score for the Academy of +1.13, which was an outstanding achievement that ranked the school 14th in England and Wales for student progress out of well over 4,000 state secondary schools. This figure remained subject to final confirmation.

At sixth form, results achieved in the International Baccalaureate were again at the top of expectations and with the average point score achieved at 40, this placed the Academy above some of the most prestigious private schools both nationally and overseas.

Douglas Mitchell focussed on the excellence of the staff in helping obtain these outcomes and on how important the quality of staffing was to the successes of the Academy and why such an investment in time was made to ensure recruitment was prioritised and that staff received in-year training of the highest order. He also indicated that recruitment would be likely to remain difficult even should the economy go into recession.

Student recruitment had been another major positive for the Academy with over subscription in Year 7 meaning that there is only one place for every five applicants for the 240 places. The 2022/23 academic year was the first year in which sixth form numbers were also oversubscribed and as a result, the Academy would maximise its full funding provision from the Education and Skills Funding Agency (ESFA) the following year, also for the first time.

There was a short discussion on student behaviour both within the Academy and nationally and the heavy usage of fixed-term and permanent exclusions employed by some schools. Douglas Mitchell explained that he had been trained in student exclusions with a particular focus on the remit and processes of an Independent Panel in order that he could become such a member for other school exclusions, but also to understand the workings of such a panel and their lines of focus. Following due procedure was seen as key, but there was also particular focus on those with Education and Health Care Plans (EHCPs). Nationally, those being identified with SEND requirements have increased in recent years although the local funding of special educational needs remains a concern.

Douglas Mitchell thanked the Trustees and Dr Whitcutt and Angela Entwistle in particular for their continuing support throughout the year.

Lord Ashcroft congratulated Douglas Mitchell on a great report. He added that the Trustees remained extremely happy with the achievements of the Academy and added that the professionalism of those employed at the Academy shone through.

Item 9 Report of the Vice-Principal

Richard Perry explained the need to formally adopt the Annual Report and Financial Statements for the year to 31 August 2021, which had been signed off and filed after the last annual meeting. External audit of the accounts and financial controls for the year to 31 August 2022 was currently underway following which he hoped for the Annual Report and Financial Statements to be circulated in draft for final comment from Trustees and FRC members in early December and for these to be signed off before the Christmas break.

Once again it was reported that capital investment had been minimal in the year to 31 August 2022 and that the lift renovations to Zone D scheduled for the summer had been moved back to Easter 2023.

Further lift renovations would then be undertaken to Zones C and E in each of the next two summers and the outside sports facilities would be enhanced with two of the main playground areas scheduled to be converted into multi-use all-weather playing surfaces over a two-year period.

Expenditure patterns had returned to more normal levels and revenue spend had again exceeded income in the year, predicted to be at similar levels to the previous year. The deficit position had not been helped by a shortfall in student numbers at the autumn census date, despite the Academy being more than five times over-subscribed for places at Year 7. In the current year, a much smaller shortfall on maximum funded numbers exists with this largely at sixth form and has therefore helped increase funding levels by 6%. Numbers for this year's census were at capacity for the first time, leading to full funding for 2023/24.

The Academy still has two more years of growth funding to reflect the extra intake numbers at Year 7 (30 per year) with the last of the enhanced cohorts due to start in September 2023. Over a five-year period, the overall additional 150 students at this point will have improved the Academy's funding by in excess of £1m per year.

Richard Perry reported that much effort had been made to find efficiencies within the staffing costs which had been creeping up towards 90% of total income. He outlined where restructuring in some teaching areas and efficiencies within associate staffing over the past year had brought this figure down to an estimated 84% for the current year, which would help control deficit levels going forward.

Turning to the trading subsidiary, Richard Perry commented that income from the hire of facilities had increased significantly during 2022 and should lead to a post year-end donation comfortably in excess of the £90k in 2021. There would however be increases to the cost of sales as the subsidiary would absorb more of the running costs at Openview sports ground as the Academy now makes little direct use of the facility. The agreed split on this will be agreed with the auditors.

Trustees were brought up to date on the future use of Openview sports ground with it likely that the Academy would retain ownership of the ground (still through the long lease agreement through Wandsworth) and look to further increase the hire of the grounds by other users, beyond the already healthy level.

Lord Ashcroft thanked Richard Perry for his detailed report and management of these areas.

Item 12 Annual Report and Financial Statements to 31 August 2021

The Trustees formally adopted the Annual Report and Financial Statements for the year to 31 August 2021.

Item 13 Responsible Officer Report

Stewart Harris had produced the Responsible Officer (RO) Report which had been sent out to his fellow Trustees as part of the paperwork. It was noted that his RO work had once again been undertaken at the Academy following two years of undertaking this remotely. He reported that his work found that the Academy was operating soundly from a financial perspective and that controls and processes met due requirements. It was further noted that the oversight and checks extended beyond the finances and covered key operational and organisational risk as identified within the risk register. He had also considered the guidance contained within the Academy Trust handbook on the process of internal audit, which is updated each year. He was once again grateful to Richard Perry and his team for their work and support in helping him with his review processes.

Item 14 Review of Auditors

Buzzacott continue to undertake the external audit function for the Trust and its subsidiary being fully conversant and one of the leading audit firms supplying such services to schools and charities. Whilst it has been noted that more of the role is undertaken remotely these days, they are providing a more hybrid service at the request of the Academy this year so that there is a mix of on-site and office-based work. The Audit Partner has significant experience of academies and their accounting responsibilities and ensures availability for discussion with the Responsible Officer prior to sign off of the financial statements and would be willing to attend Trustee meetings.

Item 15 Trustee Approvals & Authorisations

- **Annual Salary Reviews**

Two of the Trustees form the Remuneration Committee who set the financial boundaries within which annual pay awards are made. The individual awards to staff are then agreed through the FRC, having received the same detailed background as part of the papers for the annual meeting including the updated Staff Pay and Pensions Policy. The Principal highlights any individuals where exceptional awards are made or where awards are withheld beyond what is otherwise standard progression. The Remuneration Committee also remain responsible for the review of the pay of the Principal and the Vice-Principal.

- **5-Year Budget Plan**

The 5-year budget plan covering the period 2022-23 to 2026-27 had been circulated to Trustees in advance. There was further discussion on the fact that the Trust was showing a deficit across each of the 5 years, although they noted that the combined shortfall over the 5-year term was indicating a £2m deficit which was better than the £3m deficit estimated from the previous year largely as a result of improved in-year funding and efficiency finding in the staffing structure. Trustees were reminded of the reasons contributing to this and that reserves existed to continue enable the Academy to operate fully without reducing provision.

- **Risk Register Update**

The Risk Register complete with suggested updates was presented to Trustees as part of the paperwork for the meeting.

In light of the updated 5-year budget estimates, Richard Perry had proposed the addition of a new risk to the main register with regard to declining levels of Academy reserves. Owing to both the likelihood and impact this produced a relatively high risk score of 12.

He also added the following as suggested changes to the risk scoring outcomes:

22. *Loss of restaurant facility* – impact increased from 1 to 2, revising the total risk score upwards from 2 to 4. The revision was considered to be a more accurate reflection on the impact of losing the provision due to its popularity and take up.

24. *More litigious society threat to the Academy* – likelihood increased from 3 to 4 revising the total risk score to 8. The Academy has seen examples of this in terms of exclusions but also the increasing culture amongst society in general, impacting many walks of life.

27. *Industrial action by staff* – likelihood increased from 1 to 3, putting the total risk score at 3. This was adjusted in view of the recent growth in national feeling amongst the teaching unions in particular for taking strike action due to pay and conditions issues. In view of previous experience within the Academy, the impact of such action was felt to remain as negligible.

32. *Change in status due to government policy* – impact increased from 1 to 2, moving the total risk score to 4. The Trustees noted that the government is looking for all existing single academy trusts to be part of a multi-academy set-up by 2030, which would impact on the operation of the Academy. The likelihood scoring of 2 to be reviewed going forward if this remained a government priority after the next election.

41. *Outbreak of life-threatening communicable disease* – likelihood to be decreased from 5 to 4, post the impact of COVID-19 and the experiences learned from the pandemic.

No risks removed from the register.

- **Reserves and Investment Policies**

The Trustees reviewed existing policy and taking account of the 5-year financial forecast wished to maintain unrestricted reserves at a level sufficient to at least cover 3 months' worth of Trust expenditure. Trustees noted that the level of such reserves continued to remain above the stated threshold of this, but in view of the financial projections despite the increase with levels of public funding, the level of reserves will fall in the medium term and be more closely aligned to a 3-month equivalent.

Investment returns have begun to improve and the Trustees committed to the view that any investment of surplus reserves should remain in secure fixed interest arrangements requested that Richard Perry seek to invest a proportion of unrestricted reserves for a fixed term of 12 months in order that these attract a level of interest to support overall funding levels going forward.

Item 16 Any Other Business

Lord Ashcroft advised that the Rt Hon Ranil Jayawardena MP wished to visit the Academy and that arrangements would be put into place for this to happen. Discussion also took place over the current relationship between the Academy and the London Borough of Wandsworth and the different agendas that exist at times. Peter Gaze expressed an interest in being present at both a meeting of the FRC and Executive Board when in a position to do so.

There being no further business, Lord Ashcroft brought an end to the meeting.


8.11.2023