

**MINUTES OF THE 26<sup>th</sup> ANNUAL TRUSTEES' MEETING  
HELD ON THURSDAY 7<sup>th</sup> DECEMBER 2017  
AT 15:00 HRS – AT THE DEVONSHIRE CLUB,  
5 DEVONSHIRE SQUARE LONDON, EC2M 4YD**

**Present:** Lord Ashcroft KCMG (in the Chair), Mr D B Hammond, Ms A E Entwistle

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

**Minutes:** Mr R J Perry

**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 KCMG was re-appointed as Chairman and David Hammond as Vice Chairman for the year.

**Item 2 Trustee Appointments**

The Trustees noted that 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.

**Item 4 Apologies for Absence**

There were no apologies for absence.

**Item 5 Minutes of the Previous Meeting**

Subject to a change to a date under item 5 from 20<sup>th</sup> November 2013 to 19<sup>th</sup> November 2015 and 'one' to 'once' in the first line under item 12, the Minutes of the meeting held on 7<sup>th</sup> December 2016 were agreed as a true and accurate record of proceedings and duly signed by the Chairman on behalf of the Trustees.

The Trustees also noted the minutes of the meeting held on 5<sup>th</sup> April 2017, relating to the appointment of Douglas Mitchell as Principal and associated staffing changes.

**Item 6 Matters arising**

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

**Item 7 Report of the Chairman of the Executive Board**

Dick Whitcutt gave a short verbal report to Trustees referring to a near seamless transition the Academy had experienced with the change in Principal as its core methods of operation had not altered and its successes had continued.

End of academic year results had been the best ever achieved and had put the Academy in the top 3% of mainstream schools at GCSE. He also outlined the changes to the measures of achievement with the government's introduction of Progress 8 and Attainment 8. Success at A Level and in the IB had also been excellent and all of this had been achieved with the fully comprehensive bent of the Academy's admissions arrangements.

Dick Whitcutt also made reference to the work of the Executive Board and the Finance and Resources Committee but added that the 55% attendance from the 11 members of the Executive Board and 65% attendance from the 6 members of the Finance and Resources Committee could be better.

### **Item 8 Report of the Principal**

Douglas Mitchell was pleased to present his first report to the Trustees as Principal adding that his report contained less data than in previous years and that he would intend to maintain this format going forward.

He added that Academy remained an extremely popular school for parents to send their children to and as a result remained six times oversubscribed for places in Year 7. At Sixth Form level, over 500 applicants had been interviewed for approximately 125 places in Year 12.

The achievements of the Academy in the previous academic year were impressive, with best ever achievements at both GCSE and A Level on a number of criteria and he hoped that there will be even better results upon conclusion of the current academic year. In terms of progress as stated earlier by the Chair of the Executive Board, he believed the Academy would do even better this year. Douglas Mitchell further confirmed that the progress score of 0.8 meant that on average each student was achieving better than half a grade more per subject than was achieved by students of the same ability levels in other schools.

One aspect of government focus is on the educational achievements of those students deemed to be disadvantaged. Some 45% of the Academy students met this criterion and as with the main student progress indicator, progress for disadvantaged students was also the best that had ever been achieved. With a progress measure of 0.68 being slightly lower than the progress made by all students, this achievement by disadvantaged students was still significantly impressive bearing in mind these students on their own would still place the Academy in the top 4% of schools nationally. Douglas Mitchell went on to explain the measures that categorise a child as disadvantaged (those in public care/those with an Education and Health Care Plan (EHCP) and those entitled to free school meals).

Lord Ashcroft remarked on how impressive the results had been and equally how this was demonstrated in the charts within Douglas Mitchell's report. It was added that these results were all the more impressive bearing in mind changes to the examination arrangements within English and Maths where outcomes are now based upon final exams much more than had been the case previously.

Having a secure staffing that was well trained was crucial to the Academy's success and the Academy was investing much time and resourcing in developing its staff. Douglas Mitchell emphasised the importance of continuing to develop its staff with much of the training delivered in-house by staff for the benefit of others. Staff value the training opportunities they receive at the Academy and whilst this may mean that some staff move on to promoted positions more quickly than in other schools it is also an important aspect on which to attract new staff.

Trustees asked Douglas Mitchell to talk through what he considered to be the biggest challenges facing the Academy going forward.

Aside from maintaining its level of success, Douglas Mitchell believed the biggest threats to the Academy continue to lay in the areas of recruitment and finance.

Recruitment into teaching and in particular secondary teaching within Inner London was becoming all the more difficult, with fewer people going into teaching and the comparative ease for good staff to seek and obtain promotion into other schools. The other aspect that impacts recruitment and retention for the Academy is the high cost of living in and around London, which sadly leads to a number of teachers seeking moves to other, more affordable parts of the country.

Public sector funding of schools has become a major issue in recent years, with standstill budgets at best, struggling to accommodate rising costs. It has therefore become a big challenge for the Academy to operate on existing terms with the funding available.

Douglas Mitchell also mentioned that it was now less likely for Ofsted to visit following the change in Principal, in light of the summer examination results. Had there been a drop in educational outcomes then such a visit would be more likely.

Another challenge for the Academy would be the changes to GCSE subject specifications and exams with little guidance and no track record to go by. This was an issue facing all secondary schools.

Lord Ashcroft thanked Douglas Mitchell for his report and praised him for the successful start to his tenure as Principal. There was a planned visit for the local MP to attend the Academy that Lord Ashcroft said he would wish to also be present at.

## **Item 9 Report of the Vice-Principal**

Adding to Douglas Mitchell's concerns over funding levels, Richard Perry confirmed that while they continue seek efficiencies in the cost of provision, it is the drop in income levels that is the biggest challenge and one that year on year makes balancing the books increasingly harder to achieve. Income in 2016-17 was down 6% on that of the previous academic year and the levels are due to drop still further as protected funding from previous years, termed the Minimum Funding Guarantee, is gradually eroded away. Richard Perry stated that there was a 4% reduction in the current year and he anticipated a further 2% drop the year after. He also added that Pupil Premium funding was reducing year on year and had dropped some 12% in 4 years.

Investment in fixed assets through the use of revenue funds had been less than half of that in the previous year, in part a reflection of lower income levels and this would be likely to continue going forward in attempt to soften the impact, alongside seeking more staffing efficiencies.

Richard Perry stated that the introduction of the new National Funding Formula for schools remained due in 2018-19 and that having originally indicated that this would bring about further reductions in funds (calculated at 3%), the government has now said no school will lose out. He added that this will still effectively be a cut, as even a standstill in funding would have to meet areas of increased cost including annual cost of living awards to staff.

It was raised the previous year that there are a number of key provisions in place at the Academy, which are expensive to operate, but which are integral to the success and reputation of the Academy. These areas included the operation of a longer school day, a significant focus on staffing to operate the Inclusive Care and Support facility and offering the International Baccalaureate at Key Stage 5. Much as then, with the ability to call upon reserves, the Trustees signalled their wish for the Academy to continue all such provisions going forward.

Richard Perry referred to the three-year plan projection and whilst predicting a lower deficit across three years than the year before, this was calculated to be around £1.3 million and would utilise around three quarters of its restricted funds balance. It was hoped that the funding going into schools will have improved by this stage.

The trading subsidiary continued its successful operation (largely in the sale of uniforms and the letting of sports facilities), enabling a gift-aided donation back to the main Academy of just under £100,000 once more.

The Trustees thanked Richard Perry for his detailed notes regarding governance options going forward, which had been discussed in more detail prior to the meeting. Trustees indicated that they were content for the current governance structure to remain in operation for the foreseeable future.

#### **Item 10 Adoption of Annual Report and Accounts to 31<sup>st</sup> August 2016**

The accounts for the year to 31<sup>st</sup> August 2016 had been reviewed, formally adopted and signed off by David Hammond on behalf of the Trustees as well as Marcus Barker as the Academy's Accounting Officer at the time.

#### **Item 11 Annual Report and Accounts to 31<sup>st</sup> August 2017**

The audit processes for the year end to 31<sup>st</sup> August 2017 had been completed shortly prior to the Trustees meeting and the draft annual report and accounts had been circulated the day before together with a covering letter from Richard Perry and a draft of the Post Audit Management Letter. He also brought hard copies to the Trustee meeting. Key headlines were that before allowing for depreciation and a welcome reduction in pension liabilities, the accounts were showing an in-year deficit of £150k, which was in line with expectations. General Annual Grant (GAG) carry forward amounted to 8.5% of the provision for the year and now well within carry forward maximums.

Richard Perry had also circulated the accounts for the trading subsidiary for the Trustees information.

He asked if Trustees could kindly review the Annual Report and to provide any feedback on the accounts by 13<sup>th</sup> December with the aim of final sign off being achieved on or around 15<sup>th</sup> December.

#### **Item 12 Responsible Officer Report**

Richard Perry once again gave thanks to Stewart Harris for continuing to undertake this role. Stewart had attended the Academy on two separate occasions in this capacity as well as attending the Academy Finance and Resources Committee on three out of four occasions during the academic year in an observer capacity. The Trustees noted the report from the Responsible Officer and the range of checks associated with it.

#### **Item 13 Review of Auditors**

The Academy remains pleased with the service, knowledge and understanding of its auditors Buzzacott which aside from assisting in completing statutory requirements, continues to provide additional information in an extended Management Letter to include ratio analysis and Academy sector developments as it has a large number of academies that it provides services for. Buzzacott allocated a new partner to oversee our account the previous year and this transition went well. David Hammond would again conduct a conversation with the partner as part of the clearance process.

## Item 14 Trustee Approvals & Authorisations

- **Annual Salary Reviews**

The Trustees noted the decisions made by the Remuneration Committee in establishing a ceiling of 1.0% above the gross salary costs for the Academy for the 2017-2018 academic year for the FRC to work within when agreeing staff pay reviews for 2017-18 which required the endorsement of the FRC before implementation in line with the Staff Pay and Pensions Policy. The Remuneration Committee would separately review the performance and pay arrangements of both the Principal and the Vice-Principal as also stated within the above mentioned Policy.

- **3 Year Budget Plan**

The budget profile covering the 2017-2018 through to the 2019-2020 academic years was discussed under item 9 and accepted by the Trustees.

- **Risk Register Update**

The Trustees were presented with the current risk register which had been reviewed and updated prior to the meeting. The Trustees noted the actions that had taken place since the previous meeting and also where further action was required or on-going. There were three suggested change to risk scores stated below.

7. *Extreme heat/cold within the Academy* – likelihood increased from 3 to 4, revising the total risk score upwards from 6 to 8. This risk was reviewed upwards the previous year as well and the Trustees were advised that further work in this area to help alleviate the heat gain during the summer months will be looked into.

34. *Outbreak of life threatening communicable disease* – likelihood decreased from 3 to 2, revising the total risk score down from 9 to 6. The revision was believed to be a more accurate reflection on likelihood of an outbreak happening.

39. *Failure of the Autistic Resource Centre* – impact reduced from 3 to 2, revising the total risk score down from 6 to 4. The provision had now been in place for ten years and as such financial liabilities through the capital investment commitment had been fulfilled on both sides. The student places formed part of the Academy's overall student number also. The Academy would however, seek to continue the successful operation of the arrangement in line with its contractual obligations.

Trustees were advised that a new risk '*compliance with Data Protection requirements*' had been added to the register, in light of the additional focus on this area through the introduction of the General Data Protection Regulation (GDPR) which applies to all organisations within the EU. This enhanced form of data protection provides more comprehensive and far reaching criteria for organisations to adhere to. Likelihood was scored as a 2, as was impact, giving a total risk scoring of 4.

No risks were removed from the register.


- Reserves and Investment Policies

In view of the three-year budget estimates and the likelihood of reduced income continuing from central government but with a desire to maintain full current provision as exists within the Academy, the Trustees reviewed existing policy and again agreed to keep to the same arrangements with the aim of maintaining unrestricted reserves at a level sufficient to at least cover 3 months' worth of expenditure. Trustees noted that the level of such reserves were currently above the threshold of this, although these will be likely to drop in the future once restricted fund reserves have been depleted.

Investment returns continued to be poor at present. The Trustees remained of the firm view that investment of surplus reserves should remain in secure fixed interest arrangements, regardless of the low returns.

**Item 15 Any Other Business**

No additional items were discussed.

  
20.11.2018