



MEETING OF THE TWO COUNTIES TRUST BOARD OF TRUSTEES

Monday 4th December 2017

Trustees: Ian Greenaway, Gillian Haslam (Chair), Karen Potts, Roman Ruszczyński, William Unsworth, Ruth Wheelhouse, Sue Coffey and Chris Hallam

Trustees Present: Gillian Haslam (Chair), Karen Potts, Roman Ruszczyński, William Unsworth, Ruth Wheelhouse, Sue Coffey and Chris Hallam (6.40pm onwards)

Governor Link: Richard Stones

Also in attendance: Richard Vasey (CEO), Kevin Hearn (CFO), Debbie Duggan (HR), Zoe Walsh (Dains) and Julie Wood (Minute taker)

Meeting opened 6.30pm (quorate)

45 **Welcome & Introductions**

GH welcomed Zoe Walsh (ZW) to the meeting and introductions took place.

a. Apologies for absence

Apologies had been received from Richard Stones (Governor Link). Trustees were aware Ian Greenaway had been delayed (IG was not present throughout the meeting).

b. Declaration of Interests

None declared.

46 **Annual General Meeting**

a. Approval of the Annual Financial Statements

KH provided a PowerPoint presentation on the annual accounts including information on the extent of this year's audit introducing new financial software systems and the number of companies that had been audited and accounts prepared with two more schools joining the MAT within the reporting year. KH explained the enhancements and complications together with the new corporate financial structure which made the best use of tax planning which saved considerable sums in the year. KH explained that the performance in the year was considerably better than both budgeted and re-forecasted in Spring 2017 with in excess of a million pounds saved in overhead costs. In addition to this KH explained that a revaluation of Ashfield Buildings had improved the balance sheet significantly giving the funds of the Trust a significant headroom over its liabilities. Demonstrating a road map of improved systems which highlighted significant benefits. KH summarised the statutory account highlights and financial reporting arrangements going forward.

CH joined the meeting 6.40pm

ZW from Dains informed Trustees she had led the Audit for 2016-2017 from Dains and explained the challenge around the Manor audit (3 different companies, 4 including the trading company in one set of accounts to separate).

ZW had circulated three reports at the beginning of the meeting and drew Trustees attention to relevant pages as follows.



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Ashfield School Trading Company Limited, Directors Report and Financial Statements for the Year Ended 31 August 2017. This is a schedule to the detailed accounts (page 16) and the balance sheet (page 7).

DV queried The Manor Academy turnover figure as it appeared quite high. ZW and KH explained this related to the Sports Centre and Lettings.

The Two Counties Trust, Trustees Report and Financial Statements for the Year Ended 31 August 2017. Consolidated statement of financial activities income and expenditure account (page 25), consolidated balance sheet (page 26) and statement of funds (page 49).

The Two Counties Trust and its subsidiary undertakings, Audit Clearance Memorandum Year Ended 31st August 2017 ZW explained to Trustees why this was a modified report and explained the way forward. Regarding internal control (2.5 page 6) KH informed this issue had now been addressed. RR asked how information is fed back to individual schools and managed. KH replied via termly accounts, Headteacher and business staff meetings and individual internal audits.

ZW informed the Trustees that once approved the reports will be uploaded to the DfE website and that the accounts could be signed tonight as long as the Trustees are happy to do so.

RR asked if pension liability decreases over the years. KH replied the reasons why liabilities have increased which was in relation to re-evaluations and an increase in the number of schools within the MAT it was possible they could decrease but as related to market investments and numbers of pension members.

In reference to internal control, RR asked how feedback is provided to schools and governors to which KH replied that this was via the Risk & Audit Committee. KH confirmed that his aim was to have up to three internal audits per annum in the schools, the actual number dependant on findings for each school from the main annual audit and continued internal audit findings.

A brief discussion followed around the risk matrix following a question from CH.

Action: Trustees to review the accounts and send any questions to KH within 5 working days of this meeting.

GH/RW/DV to arrange a date to sign the accounts W/C 11 December 2017.

ZW left the meeting at 7.10pm.

b. Appointment of External Auditors

KH explained the work which Dains had completed on the audit and informed Trustees that this represented value for money. KH said he was happy with the relationship with the auditors and their work and recommended that they were re-appointed as external auditors. A vote was taken and it was carried unanimously to reappoint Dains as the external auditor.



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KH raised the Trading Company Account and recommended moving all trading accounts into one company and renaming it to TTCT Trading Company. KH said that 2 Directors were already in post but required 3 to be quorate and ideally 5 Directors. WU, KP and CH volunteered to be Directors.

Decision: Trustees unanimously agreed to reappoint Dains as the external auditor.
WU, KP, CH to be appointed as Directors of TTCT Trading Company.

c. Election to the Chair of Trustees

GH referred to the prior agreement which was to rotate the Chair between the 3 founding schools. GH proposed KP as the next Chair and WU seconded KP. KP was appointed as Chair with effect from the next meeting.

Decision: Karen Potts elected Chair of Trustees for the coming year to take effect from the next meeting.

d. Report from the Remuneration Committee

Deferred in the absence of IG.

Action: Report from the Remuneration Committee to be put on the agenda for 5th February 2018 for information.

e. Determination of confidentiality

Annual accounts (until confirmed).

f. Date of the next Annual General Meeting

To be determined.

47 Minutes of the meeting held on 28th September 2017

a. Confirmation of accuracy and matters arising

The minutes had been circulated prior to the meeting. The minutes were checked for accuracy and agreed as a true and accurate record (KP proposed and seconded by RW).

Page 1 – DV informed Trustees that following the resignation of Clare Dennis (Member) who had stepped down from the LGB at Selston that Betty Dixon (Chair of Selston LGB) had been proposed to become a member in her place.

Page 6 – 42a following the discussion around the vacancy for a Trustee with a financial background, DV informed the meeting that a group of Trustees had met with Alison Chmiel. Trustees were informed she comes from a financial background. Alison was already a governor elsewhere, however there did not appear to be a conflict of interest. RW and GH added their opinions in support of AC. KP proposed, GH seconded and it was carried unanimously to co-opt Alison Chmiel to the Board of Trustees.

Page 8 – (41B) - DV informed that this would be resolved at the meeting next week.

Decision: Trustees unanimously agreed to co-opt Alison Chmiel to the Board of Trustees.



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48 Strategic discussion

1. MAT Growth/expansion

a. Springwell Community College

DV had sent reports previously to Trustees who had unanimously agreed that Springwell should join the MAT. DV spoke about the meeting a week last Thursday which he KH and DD attended with the DfE. He said that the landscape had changed somewhat in that there seems no longer be any urgency for schools to convert to academies. DV informed Trustees of the DfE's perspective. DV referred to previous meetings where he was charged to find Good schools to join the MAT leading him to talk to Wilsthorpe and Friesland who were both solidly good schools.

DV spoke about a planned visit on the 15th December of a Senior Education Advisor at the DfE in London whose report would be provided to the Headteacher board.

DV said that Friesland School, Wilsthorpe School and Springwell School will go in front of the Headteacher Board for approval in January. If approved Friesland School could join in April, Wilsthorpe in September 2018. Springwell School would not be before September as this was a PFI.

DV said he could recommend adding Wilsthorpe and Friesland and that Wilsthorpe School could become the first 'outstanding' school in the MAT.

CH asked what about the risks of three schools coming into the Trust in the next 9 months. KH replied that work is needed on the buildings at Friesland School, but this is manageable.

SC questioned impact on people's time and resources. DV said a lot of time is involved in QA. In the case of Springwell School it was time consuming for KH because it is a PFI.

SC asked about 'Star' teachers. DV informed her this year a number of teachers had volunteered to work in other MAT schools to widen their experience. DV also informed SC of the number of SLEs adding that there is a lot of sharing of good practice. DV said discussion is held at HTs meetings about the areas where schools are struggling and good practice is shared at all levels. Trustees were asked for their approval for all 3 schools to go to the Headteacher Board to join TTCT. This was unanimously approved.

Decision: Trustees unanimously approved Friesland School, Wilsthorpe School and Springwell School to go to the Headteacher Board for approval to join TTCT.

b. Friesland School

The Educational Due Diligence Report, HR Due Diligence Report, Financial Due Diligence Report and the Scoring Chart had been e-mailed to Trustees prior to the meeting.

Discussion and decision above. (a.)

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c. Wilsthorpe School

The Educational Due Diligence Report, HR Due Diligence Report, Financial Due Diligence Report and the Scoring Chart had been e-mailed to Trustees prior to the meeting. Discussion and decision above (a.)

d. Kirk Hallam Community Academy

The Educational Due Diligence Report, HR Due Diligence Report. Financial Due Diligence Report and the Scoring Chart had been e-mailed to Trustees prior to the meeting. DV talked the Trustees through reports and said that at this stage TTCT does not have the capacity to support the school. The Trustees agreed.

Action: DV to inform the Chair and HT of Kirk Hallam of the Trustees decision.
DV to contact the DfE to inform them of the decision.

2. Educational Standards

DV circulated subject progress analysis data and Year 11 2017-18 predictions for information. DV informed them that all schools had signed up to the FFT (Fischer Family Trust) so are able to compare data between the schools. DV asked Trustees email any questions. DV informed Trustees that Headteachers had seen the data.

CH asked that in relation to the colour coding (red/amber) across a subject whether there was a call to action in these areas. DV replied with examples of where subject leaders are working together to drive improvements.

WU asked if the issue was geographically linked. DV replied that it is more to do with patterns on entry.

49 Approvals and decision

a. Living Wage

A report prepared by DD to determine the Trust's approach in respect of the Voluntary National Living Wage had been sent to Trustees prior to the meeting. DD said there were three decisions that are requested from the Trustees

1. The Trust's position in respect of the Voluntary Living Wage.
2. The treatment of transferred staff who are already receiving the Living wage.
3. The position with future transfers.

Further discussion was had. In respect of future transfers, DD spoke about the issue around affordability and impact of job evaluation and that she did not think it was possible to be a Voluntary Living Wage employer at this this time.

CH asked if there is any gap closure activity. DD replied to provide an update on the work on harmonisation from 1st January 2018.



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1. The Trust's position in respect of the Voluntary Living Wage.

Decision: Is not currently affordable. Trustees recognise the erosion of JE grade differentials and have such decided not to be a Voluntary Living Wage employer at this point in time but this will be kept under review.

2. The Treatment of Transferred staff who are already receiving the Living Wage.

Decision: The allowance currently being received will be red circled.

3. The position with future transfers.

Decision: Individual schools would be informed of the Trust's position with a view to making arrangements prior to transfer. Where changes were not made in time red circling arrangements will follow as outlined above.

b. School Improvement Strategy

Trustees had been provided with a copy of the strategy prior to the meeting.

DV talked through the QA programme. DV referred Trustees to Appendix 2 showing the sharing of good practice.

Decision: Trustees approved the School Improvement Strategy.

c. Central Services Team structure

Trustees had been provided with a copy of the MAT structure prior to the meeting.

KH talked through the roles on the operations side of the structure whilst, DD spoke about the roles in her area.

WU questioned KH around the capacity on finances. KH replied that this was manageable. KH added capacity was needed on the administrative side rather than on the strategic side. KP added that some schools need more support than others.

KH said ICT is the next post to be filled and this was currently being advertised across the MAT.

DV said that the structure will keep coming back to Trustees to ensure that this is kept under review.

DV talked Trustees through the educational side of the structure. DV said KH had modelled this and the structure is affordable.

WU spoke about succession planning and business continuity and DV replied that this was being reviewed and was being overseen by the Risk and Audit Committee.

50 Information only

a. Gender Pay Gap Report

The report had been sent to Trustees with the agenda and was presented for information.



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b. HR report to Trustees

The report had been sent to Trustees with the agenda and was presented for information,

51 Determination of confidential business

Accounts (until approved).

Meeting closed 8.36pm.