

MINUTES

**Meeting of LSEAT Board to be held on
Tuesday 13 December 2022 from 5.00-7.30pm
in person at C1/C2 Orpington Campus**

Trustees

Christine Whatford, CBE (CW)	Chair
Dr Sam Parrett, CBE (SP)	Trustee & Group CEO
Denise James Mason (DJM)	Vice Chair
David Bailey (DB)	Trustee
Charles Yates (CY)	Trustee
Christopher Philpott (CP)	Trustee
Sebastien Chapleau (SC)	Trustee
Prof Lynne Revell (LR)	Trustee
Nick Linford (NL)	Trustee
Errol Ince (EI)	Co-opted Trustee (LSEC)
Marek Michalski (MM)	Trustee
Sunil Chotai (SC)	Trustee
Daniel Kwalombota (DK)	Co-opted Trustee (LSEC)

Governance Professional & Clerk

Jennifer Pharo	Group Executive Director Governance
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Executive Officers in attendance

John Hunt (JH)	Group Deputy CEO & Group CFO
Neil Miller (NM)	Deputy CEO Academies
Kate Shiner (KS)	Trust Chief Strategy & Operations Officer

Officers in attendance for specific items

Louise Wolsey (LW)	Group Chief Strategy Officer (Item 3.3)
Beth Moore (BM)	Group Head Safeguarding (Item 4.2)
Janet Curtis Broni	Group Chief People Officer (Item 4.3)

Board Papers Published on Board Intelligence on 6 December 2022

- Board Pack excludes Reading Room Items
- Reading Room Items only Pack

MINUTES

1. Welcome, apologies and declarations of interest

Apologies received from Trustees: Sunil Chotai, Prof Lynn Revell and Sebastien Chapleau.

2. Minutes & Action Log

2.1 Minutes 18 October 2022 & Action Log

The Board received an update on BTA Blenheim. It was reported that the provision would stay at BTA Hayes.

It was reported that Rob Freeman had been appointed Head Teacher across all BTA sites following retirement of Julie Loizou.

The Board **APPROVED** for the Minutes.

2.2 Matters Arising

No items raised.

2.3 Committee Chair's Summaries (Verbal)

The Board received a verbal update from the Chairs and/or Representative from the latest Group and Trust Committee Meetings.

Trust EPS Committee-CP

CP reported on that some issues discussed and reviewed were also reported in the DCEO report provided to the Board, this included performance details outlined and in the KPI tracker.

Critical issues around retention and recruitment at Bramley Oak had been reported with significant recruitment activity underway to remedy this.

A report on Bexley Music had been presented to the Committee on the current bidding process and redevelopment of Music Hubs, partnership working including with Lewisham Music Hub. New proposed plans would be to reduce hubs from 118 to 40 .

The Board were advised that CP would continue to report to the Board on Bexley Music. It was reported that KS was the leading Executive for Bexley Music.

Group Audit Committee-MM

MM reported that Audit Committee had reviewed 2021/22 Financial statement and year end audit field work completed by external auditors.

Audit Management Letter, Financial Statements had been scrutinised by the Committee and were recommended to the Board for approval

MM reported that the Risk Register had been reviewed by the Audit Committee, with discussions on the high-risk areas.

MM advised that the performance of both the internal and external auditors has been assessed by the Committee as Good.

MM reported that the Letter of Representation provides assurance that the Audit Committee and Trust Board have sufficient controls in place.

Chair-CW reported that the year end documents produced by the auditors had useful information for all Trustees to review including national comparisons.

It was reported that the Audit Committee had conducted deep dives throughout the period.

Group Finance Committee-CY

CY reported that some issues discussed and reviewed at the Group Finance Committee were covered in the CFO update. These included cost of living crisis and rising energy costs.

The Committee had received an updated report on the pupil census and commissioning plan for each School.

CY reported that P12 management accounts had been reviewed. Good reserves were reported for the year just below 20%. Committee discussed use of the reserves to support capital liabilities and overall development of three year financial plan for reserves.

CY reported that pay award had also been RECOMMENDED with 5% award to teaching staff backdated to 1 September 2022, in line with STPCD for 2022.

The Board **NOTED** the updates from the Chairs of the Committees and in particular those items that were recommended for approval and presented to the Board on this meeting agenda.

Section 3 : Strategic Direction, Leadership and Partnership Engagement **GCEO**

3.1 Group Principal & CEO Report

The Board received the report from the Group CEO and noted the reading room items. The paper was taken as read.

The Board **NOTED** of significance, was the demise of the Schools White Paper and with this the impetus for schools to join Trusts.

The Board expressed thanks to CP for his support for the Music Strategy and the benefits of the Music Hub in the Trust, providing good strategic position for the Trust.

The Board **NOTED** the Group CEO update.

3.2 Michael Tippett School Conversion Update

The Board was asked to **CONSIDER** the report and **APPROVE** the conversion, subject to the finalisation of health and safety, condition improvements and staffing issues as reported to the meeting and **APPROVE** the authority of a Chair's Action to finalise the conversion and endorsement of the Contract Transfer Agreement (CTA), on the condition that the Executive resolve to mitigate the risks to an acceptable level on the outstanding

- (i) staffing
- (ii) health & safety and
- (iii) condition improvement issues, with the support of the Trust lawyers and in the best interest of the Trust.

It was reported that the conversion of The Michael Tippett School (soon to be renamed Heron Academy) was being presented to the Board for **APPROVAL** subject to resolution of the remaining health and safety, building condition and staffing risks to an acceptable level.

The Board were advised that once these risks had been appropriately addressed, Board were asked to provide final **CONSENT** and **APPROVAL** for the transfer through a Chair's Action.

The Board were advised that due to the difficult negotiations which had taken place with Lambeth Council since the Academy Order was granted, and the delay in obtaining the due diligence information, the Trust had been unable to achieve the planned conversion dates of 1 September or 1 November and were now aiming for 1 January 2023.

It was reported that due diligence revealed a number of issues including a budget deficit and a number of health and safety and premises concerns, as well as staffing risks.

The Board were advised that the vast majority of these issues have been resolved and negotiations had been ongoing with Lambeth to agree funding for essential health and safety and building condition works and we have discussions taking place around future investment potential were the school to increase its PAN.

It was reported that the Department for Education's Strategic School Condition Improvement Board had confirmed the level of condition improvement grant allocation. As anticipated it was reported £592k had been allocated based on Lambeth Council committing to fund and action the remaining £1.8m of condition improvement works including to replace the main roof and deal with the beam leaks, and all the mechanical, electrical and plumbing work in the plant.

The Board were advised that the draft CTA presented, contained the necessary clauses that would commit Lambeth Council to fund and action this work which will minimise any risk to LSEAT and provide assurance on the remaining fire safety concerns and staffing risks.

The Board discussed the matter and raised questions and sought assurance on the matters outlined in the report and draft CTA.

- i. In response to questions on staffing, it was reported the CTA covered the staff liability case for discrimination.
- ii. In response to question on fire safety and the fire compartmentation survey, assurance is still be sought from the LA.
- iii. In response to questions on outstanding capital liabilities, Lambeth Council to be a held to account on providing funding post conversion to resolve.

The Board **RESOLVED TO APPROVE** the conversion, subject to

- i. the finalisation and remedy of health and safety matters to standards required to ensure compliance with health and safety legislation, including those outlined in the recently commissioned Compartmentation Survey, as reported at the meeting and within the statements provided in Clause 9.10 and Schedule 6 of the CTA, and on the understanding that limited and restricted use of the 1st floor would continue until all fire safety standards have been fully met.
- ii. satisfactory resolution of the financial commitment by Lambeth London Borough Council to provide funds to replace the main roof and deal with the glulam beams leaks and all the Mechanical, Electrical and Plumbing work to the plant at the Michael Tippett School, as described and detailed in the Scheduled 5 of the CTA.

The Board **RESOLVED** that the Executive continue to lean heavily on Lambeth London Borough Council as much as possible for a final resolution of the outstanding issues, in the knowledge that DfE and Lambeth London Borough Council are keen to progress and finalise the academy conversion on 1st January 2023.

The Board **NOTED** and that some capital expenditure would need to be incurred by the Trust to fully resolve the key issues outlined in (i) and (ii) above..

The Board **RESOLVED TO APPROVE** the conversion and proposed name change.

The Board **RESOLVED TO APPROVE** the authority of a Chair's Action on the matter of The Michael Tippett School conversion to London South East Academies Trust, such Chair's Action to be used to finalise the conversion and endorsement of the CTA, on the condition that the Executive resolve to mitigate the risks to an acceptable level and with no material difference to the issues and commitments already outlined in the CTA and by the Executive to the Board on 13th December 2023, on the matters outstanding listed at (i) and (ii) below, with the support of the Trust lawyers and in the best interest of the Trust.

- (i) Health & Safety; and
- (ii) Building Condition issues,.

Trustee Questions and Challenge

In response to questions from the Board it was reported that operational structures were being received and would be discussed at the next Board Development Meeting where there would be a substantive item on Trust Growth, Development and Opportunities.

In response to questions around MTS Local Governance it was reported that the new Heron Academy would join the Specialist Provision Board and that current Local Governors had been invited to apply to join the Trust as Local Community Governors and form the Heron Academy Council.

In response to questions on the performance of the new Head Teacher and new management teams recruited, it was reported that the Head Teacher had made a significant and positive impact on the culture, ethos and school improvements

3.3 Group Strategy Update

The Board were asked to **NOTE** the progress made in the implementation of the Group Strategy in the 2021/22 academic year and key learning for proposed transition plans for 2022/23 towards a new Group Strategy for the College, the Trust and the future LASER Education Foundation.

The report was presented and taken as read, which included a summary update on progress made in the implementation of the Group Strategy for 2021/2022, the last full year of the strategy.

The Board was advised that good progress had continued to be made towards implementing the Group Strategy and embedding the ambition of creating social value across business systems and processes and wider external work in order to demonstrate our impact through the strategy over all.

It was reported that following the previous update in July 2022, work with external agencies had continued to finalise the 2021/22 Social Value Progress Report, which would articulate social impact in the form of Social Value. It was reported that the levels of social value as calculated had increased in 2021/22 to circa £38M.

The Board were advised that the Group was also making progressing in gaining external recognition as a thought leader and influencer on Anchor Institutions in FE and for the Trust in the role of MATs as part of the civic infrastructure.

It was reported that a greater focus continues to be required on ensuring that learners across the Group, in both the College and the Trust have access to and can benefit from the wider advantages of the charity and social enterprise partnerships that have been developed and the opportunities these present to develop new skills and experiences, contributing to the development of learner social capital overall.

The Board were advised that the Group would continue to reflect on key learning from the past three years as it transitions to a new structure in 2023/24 with the creation of the proposed new Education Foundation.

The Board **NOTED** the report.

Section 4: School Operations & Performance

DCEO

4.1 Deputy CEO Academies Report

The paper was presented as read and covered key and critical issues for academic performance, including Performance Management and Performance Related Pay, School Improvement and Ofsted, External Scrutiny and Support, One Trust Update, Pupil Progress and Behaviour and working with Local Authorities. An additional item on school exclusions was also discussed. The KPI Tracker was presented for review and monitoring.

It was reported that staff recruitment and retention had also been raised in the Ofsted Annual Report as a key matter that impacts on performance.

It was reported that the national increase in schools' budgets announced by government was welcoming but it was still unclear how Local Authorities would pass on budget increases in relation to special schools, particularly given the issues previously reported on the health and social care levy, which was withheld by local authorities and not share.

It was reported that performance management processes for all staff had been completed.

It was reported that the development of One Trust culture continued with evidence of schools working together on a number of initiatives.

In relation to exclusions it was reported that an article had appeared in the local press regarding Bromley Beacon Academy (BBA) which contained incorrect analysis of exclusion data. Trust Executives had objected to the article and were able to evidence the correct information. Article was amended and reference to BBA removed.

The Board was advised that a review of exclusions at BBA had been conducted by the Director SI and following some proposed changes, the Executive were confident that exclusions are being managed effectively.

It was reported that stakeholder engagement was strong across local authorities with many Heads engaged in LA meetings and professional groups.

Trustees Questions and Challenge

In response to comments on the EA reports, it was reported that the Belmont EA had provided a very good and informative report on the school to the Chair of the Provision Board.

In response to questions in relation to Bramley Oak and whether the geographical distance from central services and managers, was having an impact on school improvement and therefore should be a consideration in future acquisitions, it was reported that distance did play a part however did not appear to have caused particular issue, key issue was the retention and recruitment of staff which meant that some Trust staff have had to stay overnight in Surrey to support school leadership.

In response to questions relating to Bramley Oak capital project, it was reported that existing suppliers would be maintained and that issues were being resolved. Bringing in new suppliers would delay the project further. Project Manager and Clerk of Works are in place on site.

In response to questions relating to the exclusion data, it was accepted by the Executive the national data releases should be tracked and known in advance, and information modelled to ensure that determinantal and potentially reputational issues are known and reported to the Board in advance and if necessary and appropriate.

In response to questions relating to the reserves it was reported that given the level of reserves being carried by the Trust, there may be some funding and incentives that can be applied to support recruitment and retention issues. Three-year planning for use of reserves to be considered.

In response to questions on the KPI Tracker it was reported that additional commentary would be added to the behaviour indicator in relation to exclusions and it would be useful to have some values applied rather than just RAG ratings.

In response to questions regarding reporting on ethnicity data in relation to exclusions, it was reported that there is not a disproportionate number of ethnic minorities excluded. The ethnic composition of Trust schools is a very high majority of white British for SEMH schools and AP with a wider ethnic mix around 30% Black and ethnic minorities.

It was reported that a new category had been added to the KPI Tracker for EDI which would pull out the gaps and differences.

The Board were advised that Provision Board review and scrutinise the KPI tracker at school level and the Board see this information at Trust level.

It was reported that development of the KPI tracker to be considered further. This should also include more information and areas for concern around attendance, particularly for those schools in the Ofsted window.

In response to further questions on the KPI Tracker it was reported that detailed scrutiny and monitoring of KPIs was conducted by Trustees the EPS Committee.

The Board **NOTED** the report.

4.2 Safeguarding Update

The Board were asked to **NOTE** the developments of safeguarding practice in the academic year 2021-2022 and the areas of focus for 2022-2023.

The paper provided by BM was taken as read which outlined the significant progress which had been made in standardising safeguarding processes and policy in the last academic year.

It was reported that all key safeguarding functions had been standardised in both policy and process and also through practice and delivery within the schools, which are reviewed through regular monitoring visits.

The following areas were identified as areas for development in 2022-2023

- Implementation of a centralised single central record for the Trust, with HR planning to launch the SCR Tracker system in January 2023.
- Academy council template amended to capture safeguarding and positive handling data which will be standardised across the Trust to allow central roles and Governance better oversight and scrutiny.
- Standardised marketing materials and templates: for safeguarding posters and visitor information.
- A review of IT systems with IT Department on security and online safeguarding arrangements, policy processes and practices.

The Board **NOTED** the report – there were no questions.

4.3 People and Resources

The Board were asked to **NOTE** the report and HR Dashboard which had been requested by the Board to be included as a standing agenda item.

The report presented, set out HR analytics across key aspects of the employee life cycle.

The report also provided an update of the projects in progress in order to continue the trajectory of the “One Trust Vision” which supports the schools in delivering high quality outcomes.

It was reported that HR service levels are in place to ensure that there is a focus on the delivery of a good customer service to all internal stakeholders, as well as provide support on employment law and HR practices and developments.

The report covered the current challenges with regards to recruitment of staff and provided a recruitment strategy for the Board’s consideration and review, on how these issues are being addressed and resolved.

The Board were advised that continuous professional development and leadership and management development was being delivered, which aims to facilitate consistent leadership and management behaviours in line with the Trust STAR values.

The report presented also provided a summary of the implementation of the Trust EDI Steering Group.

Trustees Questions and Challenges.

In response to questions on proposed strike action it was reported that unions were currently balloting staff and details of strike action would be provided in mid-January 2023.

In response to questions on staff turnover and comparisons, it was reported that turnover is high compared to workforce census data. Sickness absence however was lower than national comparisons.

In response to comments from the Board, a narrative alongside the data and statistics should be presented going forward and would be helpful for the Board to understand and evaluate the position.

In response to questions on mandatory training it was reported that compliance was improved and moving in the right direction towards full compliance.

In response to questions around industrial action and backfilling the posts, it was reported that appropriate agencies staff would just not be available. Local planning on minimum staffing levels would be completed by DCEO and Head Teachers.

In response to questions on Performance Management, it was reported that the process was robust, with individual reviews for all staff completed.

The Board **NOTED** the report

Section 5: Financial and Risk Management, Compliance and Controls

GCFO

5.1 2022/23 Financial & Property Update

The Board were asked to **CONSIDER** the report and Management Accounts for period 2, ending 31st October 2022. The Board were presented with the report from the Group CFO-JH.

It was reported that the Management Accounts for period 2 to 31 October 2022, show a year to date adjusted operating position prior to FRS102 pension adjustments of £207k.

The Board were advised that this was circa £22k better than the profile for the year to date and is a consequence of delayed recruitment to a number of vacant posts, together with delayed pay awards which will be paid in period 3 and backdated to earlier in the year.

The Board were advised that this variance is expected to be reduced as the year progresses as vacant posts are filled, and Trust reserves are used to support the operations of a number of Schools.

It was reported that the Trust continues to hold a significant level of reserves and remains in a relatively strong financial position, despite some of the emerging challenges with high pay awards, and inflationary measures.

The Board received an update on the capital project at Bramley Oak advising that the project continues, and the performance of the contractor was improving.

It was reported that of the 61 children at Bramley Oak, 18 remain in external temporary cabin accommodation, having moved 18 children back into a temporary location within the existing school building after October half term.

The Board were advised that the project continues to be closely monitored in particular the education impact and conditions for learning

The Board **NOTED** the report, there were no questions.

5.2 Post Audit Management Report

The Board were asked to **CONSIDER** the Post Audit Management Letter prepared and presented by external auditors Buzzacott, to the Group Audit & Risk Committee at its meeting in November 2022.

It was reported that the Post Audit Management Report explained the findings of the external auditors completion audit work for 2021/22, in respect of the Financial Statements.

The Board were advised that it also sets out some benchmarking data, together with an update on recent developments in the sector.

It was reported that clean audit opinions will be provided for both the Financial Statements and Regularity (use of funds) audits.

The Board were advised that the report identifies some presentational amendments together with two audit adjustments, neither of which affected the financial outturn, and both adjustments have been made.

It was reported that three audit observations and recommendations had been made, and one of which relates to an erroneous expense claim for an alcoholic drink totalling £8.45. This is not a permitted expenditure from public funds and the claim was made in error since this item was crossed out on the receipt and the total amended.

The Board **CONSIDERED** and **NOTED** the report. There were not questions.

5.3 2021/22 Financial Statements

The Board were asked to **NOTE** the report and **APPROVE** the 2021/22 Financial Statements on the Going Concern basis and **APPROVE** the letter of representation for signing.

The Group CFO presented the paper and advised that the Financial Statements for the year ended 31 August 2022 had been prepared on the going concern basis and show a net expenditure of £1.24m.

After excluding transfers between reserves, making adjustments for capital grants and depreciation, the deficit for the year is £898k and is consistent with the value in the period 12 management accounts.

It was reported that an analysis of the final forecast outturn for the year and the actual outturn for the year was provided to the Trust Board.

The Board were advised that the Financial Statements had been audited and included comments made by the external auditors following completion of their audit fieldwork which were **RECOMMENDED** by the Group Audit & Risk Committee for the Board to **APPROVE**.

The Board were asked to **CONSIDER** the Audit Representations letter which had also been **CONSIDERED** and **REVIEWED** by the Audit Committee in November 2022.

The Board were advised that this letter sets out the representations the Board is making to the Financial Statements auditors, regarding a number of key issues relating to their audit work. These representations include, but are not limited to, the responsibility to prepare Financial Statements which give a true and fair view, the going concern basis upon which the accounts are prepared, use of appropriate accounting policies, awareness of irregularity or fraud, undisclosed liabilities, and suitability of the actuarial pension assumptions for the FRS102 pension disclosure.

The Board reviewed the documents presented and thanked the Group CFO and his team on the preparation of the financial statements.

The Board **APPROVED** the 2021/22 Financial Statements on the Going Concern basis and **APPROVED** the letter of representation as recommended by the Group Audit & Risk Committee.

5.4 Risk Register

The Board were asked to **CONSIDER** and **COMMENT** on the risk register and the report and appendices.

It was reported that since the risk register was considered by the Board in July 2022, it has been subject to a review by risk owners and the Group Executive as appropriate.

The Board were advised that that had resulted in a number of changes to the risk owners, scores and content of some risks.

It was reported that the risk register had been **CONSIDERED** and **REVIEWED** in detail by Group Audit & Risk Committee at its meeting in November 2022.

The Board were advised that the main amendments to the risk scores and the reasons behind those changes are summarised in the report which was presented. This included a number of risks which have been removed, merged, or added to the risk register.

The detailed risk register entries for the High risks together with those where scores have changed were provided to the Board within the detailed report. .

The Board were advised that of the 18 risks on the Trust risk register, 2 are High, 12 are Medium and 4 are considered to be Low.

The Board **CONSIDERED** and **NOTED** the report and the high risks and changes to the risk register as presented. There were no further questions.

Section 6: Governance & Accountability

GDirGov

6.1 Governance Matters

The Board were asked to **RECEIVE** the Audit & Risk Committee Annual Report, **APPROVED** by the Audit & Risk Committee on 24th November 2022 and to **NOTE** that the opinion of the Internal Auditors and the Group Audit & Risk Committee is that the Trust has adequate and effective risk management, controls and governance processes to manage the achievement of the Trust's objectives.

The Board was also asked to **CONFIRM** that based on the advice of the Group Audit & Risk Committee and the Accounting Officer, the Board is of the opinion Trust has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets".

The Board **CONFIRMED** receipt of the Group Audit & Risk Committee Annual Report and **NOTED** the statements outlined therein. There were no further questions.

The Board were also asked to **NOTE** the **Written Resolution** of the Trust Board in relation to the Annual Pay Increment for LSEAT Teachers and Support Staff was **APPROVED** by all Trustees on 8th November 2022.

The Board **NOTED** the **APPROVED** Written Resolution.

7. AOB : CONFIDENTIAL ITEM

The Board **CONFIRMED** the appointment of Head Teacher as presented.

The Board **RECEIVED** information on a confidential matter involving a staff member at Bramley Oak Academy in December 2022.

8. Next meeting dates

- Trust Development Board: 24 January 2023
- Group Governance & Search : 26 January 2023
- Group Remuneration Committees: 26 January 2023
- Academy Councils: w/c 27 February 2023
- Group Audit Committee: 2 March 2023
- Provision Boards: w/c 6 March 2023
- EPS Committee: 14 March 2023
- Group Finance Committee: 16 March 2023
- Trust Board: 21 March 2023

9.Items Deferred to next meeting

- LASER Education Foundation Constitution & Launch
- Annual Reports: Remuneration Committee, GDPR & Complaints
- Board Self Evaluation
- Group GDPR Policy

Minutes APPROVED :



Christine Whatford, Chair
24 January 2023