

**ETHOS ACADEMY TRUST
BOARD OF TRUSTEES MEETING MINUTES**

Thursday 7th December 2023 at 5pm via MS Teams

Present:	Victoria Del Giudice (VDG)	Chair & Trustee
	Sarah Corbridge (SC)	Trustee
	Graham Dewhirst (GD)	Trustee
	Jem Greenwell (JG)	Trustee
	Andy Percival (AP)	Trustee
In Attendance:	Dewi Bennett (DB)	CFOO
	Lesley Conway (LC)	People & Culture Manager
	Jayne Foster (JF)	CEO
	Rajeev Gupta (RG)	Member
	Gillian Hughes (GH)	Member
	Katie Stevens (KS)	Member
	Melanie Nightingale (MN)	Clerk to the Board

Item		Action
1	Welcome, Apologies & Declarations of Interest	
	Apologies were received and accepted from Jane Acklam (Member) and Andy Percival. Jem Greenwell would need to leave the meeting at 6pm.	
AGM		
2	Update to Members on Trust Impact Report and Strategic Priorities	
	<p>The CEO explained additional information about the academies and stakeholder voice had been included in the impact report following feedback from Members and Trustees and the document had been made interactive with QR codes. A short film had also been produced, which the CEO showed at the start of the meeting to put the impact report into context.</p> <p>Questions were invited from Members and Trustees.</p> <p>The Chair noted the difficulty of bringing to life the impact against the backdrop of external and internal challenges and highlighted the professional generosity of staff in sharing good practice across the Trust. There were more academies and a significant level of pupil need. There was a culture of developing leaders across the Trust, e.g. internal appointments of Heads of School.</p> <p>Trustees asked where the report and video was used. The CEO explained that it was shown at a number of external events, presentations and on the website. The intention was that all new parents and carers would be given a copy of the impact report, as feedback from stakeholder voice had shown that parents were not aware of the wider Trust. The report was also available as a glossy brochure, which had been distributed at a recent engagement event in Kirklees.</p>	

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<p>Trustees asked what the reaction to the impact report was. The CEO reported that reactions were positive, although people did not see the interactive elements straight away, such as the links to the case studies and individual pupil stories.</p>	
<p>Trustees noted that the impact report and video brought to life a year of continuous challenge and highlighted the fact that the children had continued to remain at the forefront. They suggested that the video should be shared widely.</p>	
<p>Action 2.1: Executive Team to include the video of the impact report in next round of APRC meetings.</p>	JF
<p>Members noted how brilliant the report was and stated it would be helpful when recruiting governors and Trustees. It was great to see how staff and parents were so engaged.</p>	
<p>Members stated that the format of the report was inclusive for Members because it was very well presented and accessible. Members recorded their thanks to everyone who had compiled the impact report, which was a very thorough document that came across very well.</p>	
<p>Action 2.2: Video of impact report to be used in recruitment campaigns (staff and volunteers).</p>	JF / VDG
<p>Action 2.3: CEO to explore with Engaging Education the possibility of using the impact report and video with LA partners to show them how the Trust works, e.g. incorporate it in a digital Christmas card.</p>	JF
<p>Members thanked the Executive Team for all of the information received prior to the meeting. They expressed concern about the impact of the Kirklees tender on the Trust and asked if a similar pattern was likely to develop in the other LAs. The CEO confirmed that she believed that the tender process had been confined to Kirklees and relationships with other LAs felt more long-term and stable. The loss of some of the strands of provision that EAT prided itself in had involved small numbers of staff leaving via TUPE and there had been some uncertainty about pupil numbers but following a meeting with the Kirklees Heads and the CFOO yesterday, the figures seemed more positive for this academic year. Some staff vacancies had not been replaced like for like, which relieved some budgetary pressure. The Kirklees academies were now being regarded as a through school and when, for example, consultations for the top end of primary were received, the transition through to Reach was also considered. Previously the long-term aim had been to return children to mainstream, whereas now the Trust was looking at supporting the transition points between the Kirklees academies. When there had been a mix of long and short stay pupils the academies had been less stable whereas now the Kirklees academies could focus on specialising.</p>	
<p><i>[This section has been redacted and included in a separate set of confidential minutes]</i></p>	
<p>Members referred to the recent resignation of two Trustees. They highlighted the time pressure and stress this put on remaining Trustees and asked how Trustees felt about this. They asked if there were any concerning skills gaps. Members thanked the Trustees for the brilliant job that they were doing to keep things going with a small number of Trustees. The</p>	

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	<p>Chair noted that the Board was reflective and agile and were creative with recruitment methods and continued to look at Trustee workload. Recruitment was continual and EduClerks had taken up management of the Governors for Schools and Inspiring Governance campaigns. Engaging Education were supporting with the marketing side of this. The Chair noted there would be further discussion with Trustees and the Executive Team tonight about recruitment and the possibility of making a financial investment in this. The Trust was currently trying to recruit to the Board, Committees and APRCs.</p>
3	<p>Presentation of Annual Accounts</p> <p><u>Presentation of Annual Accounts and Questions from Members & Trustees</u></p> <p>DB presented the key points from the audit and the financial statements as follows:</p> <ul style="list-style-type: none"> • Total funds of £22.6m (vs £7m in 2022) – the potential surplus position of the pension fund was noted but this was valued as zero on the balance sheet. • Total grant funding £13.3 m (vs £8m in 2022) – this was due to new academies. • Total operational expenditure £12.9m. • EBITDA earnings before interest, taxes, depreciation, and amortisation - £366k (vs £341k in 2022) – this was a positive result considering the background. • Capex £13m (vs £8.2m in 2022, this was mainly funded from CIF (Capital Improvement Fund) and other grants. • Most of the Wakefield surplus would be ring-fenced for improving the Wakefield schools. This would leave about £1.4m of free reserves into 2023/24. • £1.8m cash position (vs £1.5m in 2022). <p>Trustees asked about the EBITDA number and queried if this was a good outcome given the size of the Trust. They also noted the cash provided by operating activities being £82k this year vs £2m last year, which seemed a big downward swing when there were now more academies. DB acknowledged that the EBITDA did not seem to have moved much but the big change was in terms of the academies we have and Trust operations involved in bringing Elements Academy into the Trust. This was a challenge. Elements had tried to grow numbers but had achieved lower pupil numbers than hoped. It was a challenging budget to manage and bring in at break even. RMBC had supported the Trust with this but Elements had not brought big earnings to the Trust in its first year. Enrich had only been in the Trust since May 2023 and therefore had not had time to contribute much.</p> <p>Trustees asked if the amount expected from Rotherham had been included in that number (cash provided by operating activities). DB confirmed that it was. <i>[Item redacted and included in set of separate, confidential minutes]</i>. DB explained that the cash provided by operating activities did not reflect profitably but showed what was in the bank and how much of the movement related to operating activities rather than capital grants or reserves coming in from new academies. It was a bit of an arbitrary figure and did not necessarily describe operating activities. Trustees queried the dramatic change in this compared with last year. DB confirmed he was happy to look into this separately and report back.</p>

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<p>Action 3.1: DB to provide more detail on the change in cash provided by operating activities to GD via email or to FARC in January.</p>	DB
<p>Members asked if EAT had looked at Education Banking in order to benefit from interest, which was a very safe way of investing money.</p>	
<p>Action 3.2: DB to look into Education Banking as a possibility for investing money.</p>	DB
<ul style="list-style-type: none"> • Some capital projects had been completed early ahead of the approved capital plan timing (e.g. ICT replenishment). This reduced reserves by £140k from the anticipated value but would reverse in 2023/24. • There were several CIF / capital grant transactions, which resulted in a difference between capital reserves and the value of fixed assets. This would resolve once the projects were complete and final returns made to CIF. • There were a few audit adjustments relating to transactions that only came to light after the trial balance had been circulated to auditors. • New building assets for Elements and Evolve were valued at £12.8m (£9m of this was for Elements). • LGPS was not recognised as a surplus. • An accrual had been made for a HR case. • Control issues from the external audit were highlighted. An update was given on the control issues raised in the previous year’s audit, the majority of which had been resolved. The VAT difference on the trial balance continued into 2023/24. This was discussed at FARC and was a consequence of the timing of invoices during the summer when staff are not in the office and reconciling this with the VAT. This would be kept under review. The minor salaries imbalance continued into 2023/24 but would be resolved due to new software being used. Only two new control issues were highlighted this year. One was low risk around the finance system and one was medium risk relating to a double payment of some suppliers when the banking system crashed. • Key submission dates for the accounts were highlighted. Following approval of the statutory accounts today, submission to the ESFA portal would take place on 19th December ahead of the 31st December deadline. The final stage was the account return submission, which would be uploaded by January 2024. 	
<p><i>JG left the meeting at 18:04 but gave her approval for the accounts before leaving.</i></p>	
<p>Members congratulated the Executive Team on the progress made with the annual accounts against a backdrop of increased audit pressures. They asked how close the Trust was to achieving the budget. DB explained that the budget was constantly under review. However, the end of year accounts pretty much matched up with the original budget set for the year.</p>	
<p>Action 3.3: DB to bring the position against budget for 2022/23 to the next FARC meeting and provide this information for 2023/34 to the next AGM.</p>	DB

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	<p>Trustees asked if FARC could look at the accuracy of period 12 management accounts against the end of year financial statements. DB noted this was currently being put together by the Finance Lead and could be provided to GD separately or brought to FARC in January.</p> <p><u>Approval of Accounts by Trustees</u></p> <p>Members formally received the annual report and financial statements for the year ended 31st August 2023.</p> <p>The Finance, Audit & Risk Committee recommended the annual report and financial statements to the Board of Trustees for approval.</p> <p><u>Resolved:</u> Trustees approved the annual report and financial statements for the year ended 31st August 2023.</p> <p><i>GH left the meeting at 18:09</i></p> <p><i>RG left the meeting during this item but had received the accounts</i></p>	
TRUSTEES' BUSINESS		
4	<p>Previous Minutes & Matters Arising</p>	
	<p><u>Resolved:</u> The minutes of the meeting held on 26th October were agreed as an accurate record.</p> <p>There were no matters arising.</p>	
STRATEGY & PLANNING		
5	<p>Executive Summary</p>	
	<p>The Executive Summary had been provided in advance of the meeting and an update on the Kirklees situation had been giving during the Q&A in item 2.</p> <p>The CEO reported that there had been a meeting with the Kirklees Heads this week and they were working with the Trust Finance Lead on cost savings with a view to bringing the action plan with levers and trigger points to the January FARC meeting. This would include some natural savings that could be made relatively quickly and further action that could be taken if pupil numbers did not come to fruition at various key points.</p> <p>Action 5.1: Cost saving plan to be circulated to wider Board.</p> <p>Trustees asked who would take responsibility for the cost saving work at Reach. The CEO reported that the Head of Reach was leaving at end of December. The Executive Head was carrying out a handover with new Head of School for Reach but the outgoing Head was still involved in the process at present. The Executive Head had the depth of understanding and experience required, which put the Trust in a strong position.</p> <p>Trustees asked how the marketing of places in the Kirklees academies would be progressed strategically and commercially given the slow pace of uptake in places so far and who would</p>	DB

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be responsible for driving this on an academy basis and more strategically. The CEO reported that there was no clarity on this as yet. There would be a commercial strategic role in the future but it was not clear when this would happen as part of the growth plan. The CEO and CFOO did not have the capacity to drive this commercial work forward.

Trustees asked for an update on the South Kirby site (vocational site for Enrich). DB reported that the main focus had been on the electrical safety works and asbestos removal at the main Enrich site using CIF money and this was progressing well.

Trustees asked if the South Kirby site was ready to take students. The CEO confirmed that some groups of students were at the South Kirby site (now called Enterprise Campus) whilst the work was ongoing at the Enrich Crofton site. Some staff had been recruited and there was a plan for increased usage of the site from January. Currently students were receiving a more generic education but the cookery element of the vocational offer had started.

Trustees asked if 19 additional pupils would still be admitted in January. The CEO confirmed that this was the case but could only be achieved if the main site was up and running to take the existing pupils. **Trustees asked when the Crofton site would be handed back.** It was confirmed that this would be in January at the start of the new term. However, since the meeting, contractors have confirmed that there will be a two week delay of the building handover in January.

Trustees asked if there was a plan to acknowledge the impact of the building work at Crofton on staff and pupils. The CEO explained that it was on her list to discuss with Mark Richardson, Executive Head. **Trustees highlighted that the staff had gone through a lot in this period and this needed to be acknowledged.**

Trustees asked about the other site being handed back. The CEO clarified that this was the Castleford site for Evolve, which was a house that was being used for the Revolve provision. Having operated it for a couple of years and seen the risk and liabilities versus the benefit to the students and the high staffing ratio required, it had been decided that this no longer seemed viable. From a safeguarding perspective it was not a secure site, being near a busy road. Matt Long, Head of School at Evolve, and Mark Richardson have worked together on this and were happy that it would be more effective operationally and financially to run one staff team from the main Evolve site rather than across two sites. Transport solutions were being considered for the children who lived closer to Castleford who would need to travel further to get to the main Evolve site. Some of the students did not mix well together and had to split. The main Evolve site at Lupset site was more appropriate for this. Also there is potential for the Enterprise campus could be used for Evolve pupils as well as Enrich.

Trustees asked if there was a financial risk in terms of paying rent and maintenance if EAT exited the Castleford site. DB reported that this had been added to the risk register. If EAT exited the building early it would retain liability for the empty building if the LA could not find another use for it straight away. DB remained in close communication with the LA Estates Manager and was hoping it would not be empty for long. Whilst there was a potential liability, EAT did not pay any rent for this building.

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Trust Growth Plan

DB asked for Trustee feedback on the more detailed growth strategy and the one page summary, both of which had been circulated in advance of the meeting.

The Chair explained that there was a need to have clear principles for growth, hence the development of this plan. Suggested criteria for growth needed to be added to the document. She referred to the stages from the initial expression of interest up to the approval process.

Trustees asked if the strategy would stipulate AP or special school or a particular geographical area. Trustees noted that in the past people had approached the Trust and offered it a school and asked if this would always be the way forward or if the Trust could initiate acquisitions. The CEO explained that this didn't have to be the case. Some Trusts took a more proactive, direct approach. In the case of free school applications, the Trust took the decision to apply rather than being approached by the school.

Trustees asked if the Trust approached schools directly or the LA and how the decision making process worked. The CEO explained that the Trust would approach the school and the governing board at the school would ultimately make the decision about joining a Trust. It was not a decision for the LA.

Trustees asked if the approach to schools should be via governing boards. DB confirmed that this should be the approach but realistically the Headteacher would need to be on board with the process.

Trustees referred to reactive and proactive growth strategies and having two separate strategies for this. Someone in the leadership team needed to have strategic oversight of the proactive growth aspect. There was some discussion about being approached to take on turnaround schools versus actively seeking out schools that fit with the Trust vision and profile. DB noted the challenge that schools in a good position would not necessarily wish to join a Trust.

Trustees highlighted the need for EAT to proactively position itself with target schools so that the journey could begin. DB explained that collaborative work with other academies built the Trust's reputation and helped with future acquisitions.

Trustees provided feedback on the growth documents as follows:

- The growth strategy needed to be more succinct.
- Remove condition 1, as it wasn't really a condition.
- Ensure that it was clear that the Trust was a specialised Trust incorporating AP and special schools.
- Condition 3 should be leadership capacity rather than capability.
- Be more explicit about the growth trajectory and not commit to more than one school per year. CEO noted that there were two acquisitions last year. However, this was not an ideal situation.

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	<ul style="list-style-type: none"> • Within the growth trajectory it was important to be willing to say no prior to or during due diligence and make it clear that the risk / benefits would be balanced with the ability to service existing schools. • Financial viability should include estates. Make it clear that the acquisition would not weaken the overall financial position and the funding model should be considered. • Condition 6 (capacity ratio) could be merged in with condition 5. • Partnership area – there was some discussion about geographical range. A hub model supporting collaboration was suggested. Via proactive growth EAT could look to strengthen areas, e.g. finding more schools in the areas where the Trust is already operational. • Concern about how achievable the timelines in the document were. 1-2 schools per year seemed like a lot. The fundamentals year was underestimated. • Clarity was needed on the context of the document and the intended audience. There could be an internal and external version of the document, e.g. the more detailed version for an internal audience and the one-pager for external use. • The roadmap was too aspirational and required further reflection. <p>Action 5.3: Executive Team to update the growth plan documents using Trustee feedback.</p> <p><u>Other items</u></p> <p>Trustees noted the great appointments that had been made.</p>	JF / DB
6	<p>Assurance Partner Feedback</p> <p>The Chair reported on her safeguarding assurance partner visit. A further meeting would take place in January to discuss how robust reporting was. The Chair had attended some safeguarding governance training with Diane (Trust Safeguarding Lead) and noted that EAT was already further ahead of many Trusts. The safeguarding context of the Trust was noted, given some of the newer provisions.</p>	
7	<p>Any Other Urgent Business</p> <p>The Chair raised the issue of Trustee recruitment. She reported that she was currently doing some work on LinkedIn to generate some interest in Trustee roles but suggested possible financial investment in Trustee recruitment and opened this up for further discussion.</p> <p>Discussion included the following:</p> <ul style="list-style-type: none"> • Vulnerability of the Board given the busy workloads of some of the Trustees • Retention was an issue. • Trustee workload and how it could be streamlined, e.g. academy visits, reading meeting documentation etc. • Building in some flexibility in terms of virtual versus face to face meeting, which was a difficult balance to strike. 	

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	<p>KS suggested advertising Trustee roles in the North East Education magazine and would follow up with a contact.</p> <p>It was agreed that paid recruitment would be considered.</p> <p>Action 7.1: KS to send VDG a contact for the North East Education magazine as a possible medium for Trustee recruitment</p> <p>Action 7.2: Chair to send an introduction email to Governors for Schools paid service for Trustee recruitment.</p> <p>Action 7.3: Chair and CEO to discuss Trustee expectations outside of the meeting with a view to streamlining the workload and reducing the face to face meeting requirements.</p> <p>There being no further business, the meeting concluded at 19:15.</p>	<p>KS</p> <p>VDG</p> <p>VDG / JF</p>
8	Date of Next Meeting	
	Thursday 21 st March at 4pm at Engage Academy	

Action Points	Responsibility	Completion
• Action 2.1: Executive Team to include the video of the impact report in next round of APRC meetings.	JF	December 2023
• Action 2.2: Video of impact report to be used in recruitment campaigns (staff and volunteers).	JF / VDG	Ongoing
• Action 2.3: CEO to explore with Engaging Education the possibility of using the impact video with LA partners to show them how the Trust works, e.g. incorporate it in a digital Christmas card.	JF	22/12/2023
• Action 3.1: DB to provide more detail on the change in cash provided by operating activities to GD via email or to FARC in January.	DB	31/01/2024
• Action 3.2: DB to look into Education Banking as a possibility for investing money.	DB	31/01/2024
• Action 3.3: DB to bring the position against budget to the next AGM.	DB	December 2024
• Action 5.1: Cost saving plan to be circulated to wider Board.	DB	19/01/2024
• Action 5.3: Executive Team to update the growth plan documents using Trustee feedback.	JF / DB	31/01/2024
• Action 7.1: KS to send VDG a contact for the North East Education magazine as a possible medium for Trustee recruitment	KS	21/12/2023
• Action 7.2: Chair to send an introduction email to Governors for Schools paid service for Trustee recruitment.	VDG	21/12/2023
• Action 7.3: Chair and CEO to discuss Trustee expectations outside of the meeting with a view to streamlining the workload and reducing the face to face meeting requirements.	VDG / JF	19/01/2024

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