



Draft

Hanley and Upton Educational Trust

Annual General Meeting

Minutes of the Annual General Meeting of the HUET

27 January 2022 at 5.30 pm

Chair of the Trust: Tim Sinden (TS)

Company Secretary: Michelle Snape (MSA)

Academy Trust Members Present: Marian Walters (MW) and Steven Price (SP).

Also Present: Lindsey Cooke (LC) – HCHS Headteacher/HUET Chief Executive Officer, Elaine Wilkins (EW) – HUET Chief Finance Officer, Kate Taylor (KT) – Chair of Governors HCHS/HUET Board, Sarah Anderson-Kirby (SAK) – Deputy Headteacher HCHS, John Ellis (JE) – Staff Governor HCHS, Adrian Pratley (AP) – Headteacher HSP, Bryony Baynes (BB) Headteacher KPS, David Willetts (DW) – Deputy Headteacher, KPS, Margaret Smith (MS) Headteacher WPS, Jeff Robinson (JR), Sue Fitzjohn (SFJ) and Sue Adeney (SA) – HUET Board Trustees, Clare Walters (CW)– Chair ASC HSW, Richard Aston (RA) ASC member HSW, Terry Thomas – ASC Member, HSW, Derek Valentine (DW) WDAT Representative, Eric Myers (EM) – ASC Member KPS, Anthony Pullen (AP) – HCHS ASC, Jo Chown (JCP) – Parent, HCHS, Sarah Kelsey (SKP) – Parent, WPS and Richard Marsh (RM) – Chair Kempsey ASC and Lorna Phillips (LP) – ASC Member Kempsey

The meeting was quorate with 3 out of 5 Academy Trust Members present.

1. Welcome and Introduction

TS welcomed everyone to the meeting and explained the formal purpose of the meeting was to present the Trust's Annual Report and Financial Statements for the year ended 31st August 2021 to the Members of the Academy Trust, and for the Members to appoint the auditors for 2021/22.

2. Declarations of interest:

None were raised

3. Apologies: Rob Johnston (RJ) – Deputy Headteacher HCHS, James Speller (JS) – HUET Trustee, Sir Nicholas Lechmere (NL) – HUET Member and Emma Winn (EW) – ASC member Kempsey Primary School

4. Minutes of the AGM held on 21 January 2021

4.1: Accuracy: Proposed by KT and seconded by SF the minutes were approved.

4.2: No Actions carried over.

4.3: Matters arising: None

5. Chair of Academy Trust's Review including Hanley and Upton Educational Trust Annual Report and Financial Statements Year Ended 31 August 2021– (Appendix 1)

5.1 Overview (TS)

TS explained that he was appointed the Chair in September 2021. He mentioned that SP had been the Chair for the period covered by the Annual Report

TS mentioned that it was very important to start with a reminder of the scope of the Board of Trustees' responsibilities as follows:



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Scope of Responsibility

TS explained that trustees acknowledge that they have overall responsibility for ensuring the Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

TS stated that the Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, and indeed via the CEO to the Chief Finance Officer for all finance related matters.

Governance

TS said it is important that the Board are accountable to the Members for its performance and therefore he had no hesitation in repeating some of the Governance Statement in full to ensure that accountability is demonstrated both for what we have done and what we have not.

TS reiterated that in 2020/21 the Board of Trustees had continued to focus its activities on the three core governance functions:

- It has ensured that the clarity of vision, ethos and strategic direction as documented for the HUET underpin all its discussions and decision making.
- It has held executive leaders to account for the educational performance of the organisation and its pupils through detailed assessment of the high quality descriptive and data driven reports provided by the CEO and headteachers, and for the performance management of staff through the responsibilities delegated to the pay and performance committee; and
- Through review of the equally high-quality financial reports provided by the CFO, it has overseen the financial performance of the HUET and ensured, in extremely challenging financial times, that its funds have continued to be well spent.

TS commented that for 2020/21 this has only been a part of the story. He said that the impact of the coronavirus pandemic has continued to impact all schools and the work of the Board of Trustees has been predominantly focused on supporting the HUET leadership in its work in guiding the Trust and its academies through this extremely difficult time. He explained that in the context of its own legal responsibilities regarding coronavirus related decisions, the Board has actively reviewed and challenged the individual academy Covid 19 risk assessments and, through regular meetings between heads and chairs of ASCs reported through the HUET Chair, monitored the ongoing situation in each academy. All meetings have, and continue to be held, via the Teams platform.

Governance Review

TS mentioned the quality of governance remained a central part of the HUET SEF and in self-evaluation procedures using the Ofsted framework. He explained that the outcomes of this self-evaluation are also recorded in each academy's SEF. He confirmed that during the last 12 months significant progress has been made in further improving the quality of governance, although not through the route originally planned. He said that formal governance self-evaluation activity is normally undertaken by the Board of Trustees in the spring but in 2021 these plans continued to be disrupted by the pandemic.

TS stated that significant progress was made by utilising the Chairs' Forum (HUET Chair together with ASC Chairs) who have been able to work closely together and then share and



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develop their work with both the Leadership Forum and Board of Trustees at each of their meetings and integrate feedback received to their ongoing work. He said that a major benefit of this format has been the development of closer relationships between the HUET and the ASCs via their chairs and the resultant improved embedding of the governance process across the HUET.

TS pointed out that the Chair's Forum has worked in four main areas:

- Coronavirus – regular review of individual academy risk assessments from a governance point of view through the collation and analysis of output from fortnightly meetings between heads and chairs which have been in place since the pandemic started. This allowed Trustees to be assured that their legal responsibilities were being safeguarded.
- HUET risk management process – following the 19/20 comprehensive review of the HUET's entire risk management strategy and risk register together with the adoption of a new risk management policy this continues to be a key focus area.
- HUET self-evaluation and development plan – linked to the work on the HUET risk management process, Chairs and through them the Board and ASCs, are now much more involved in the HUET self-evaluation process and the construction of the HUET Development Plan. This will significantly strengthen the integrity of that plan and ownership by the HUET governance structure.
- Safeguarding - Chairs continued to work to ensure that the ownership and implementation of the Trust's safeguarding principles and policies continued to be embedded at ASC level as well as amongst Members and Trustees. The governance aspect of this work is led by the Board's Safeguarding Lead, Kate Taylor, who undertakes annual school safeguarding audits.

TS formally thanked KT for the invaluable work she does in this high priority area on behalf of the Board.

TS stated that the Trustees had continued to provide appropriate challenge and support regarding senior leadership, teaching and learning and outcomes. He said that the Trustees were assured that the Trust's financial position remained stable with contingency plans in place for the anticipated failure to increase income against unavoidable expenditure, including Covid related costs, in the short term.

TS explained that the HUET Audit Committee is a sub-committee of the main Board of Trustees and its purpose is to assist the Board of Trustees in fulfilling its responsibilities with financial reporting, internal control, risk management and external audit.

TS formally thanked Peter Saunders, the independent Chair of the Audit Committee, for all his work in this role on behalf of the HUET.

The Review of Value for Money

TS mentioned that as Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the HUET delivers good value in the use of public resources. He said that the Accounting Officer considers how the HUET's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value



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for money can be improved, including the use of benchmarking data where appropriate.

TS confirmed that the Accounting Officer for the HUET has delivered improved value for money during the year by:

- Delivering an in-year surplus of £137k compared to a budgeted deficit of - £171k. All individual schools returned an in-year surplus for the year before transfer to capital
- No significant issues arising from external audit or internal audit work carried out by the Responsible Officer
- Maintaining strict control over staff costs. The number of staff has remained fairly static over the last five years whereas pupil numbers continue to rise. Staff costs per pupil are significantly lower than both the Worcestershire and national average and as a percentage of income were better than budget
- Maintaining reserves as at 31st August 2021 of £568k or 6% of income
- Conducting an annual benchmarking exercise which indicated that the Trust's costs are lower than most other similar trusts, whilst income is considerably lower than the national average due to the low funding of Worcestershire Local Authority
- Expansion projects at both Kempsey and Hanley Castle have been completed in budget and Welland expansion has progressed well despite the impact of the pandemic
- Funding was secured to replace boilers at Hanley Castle and fire alarm systems at Hanley Castle, Welland and Hanley Swan
- Maintaining tight control over financial position of trust throughout the lockdown period
- Closely monitoring exceptional costs during the pandemic and where possible submitting claims to government for financial support
- Continued investment in IT across the trust including over £130k on laptops and desktops at Hanley Castle and Kempsey

The Purpose of the System of Internal Control

TS stated the system of internal control has been in place in Hanley and Upton Educational Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

TS explained that the Board of Trustees have reviewed the key risks to which the HUET is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. He said that the Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating, and managing the HUET's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

TS confirmed that these recommendations were indeed approved by the Board.

Conclusion

TS said that he wished to pay tribute and give thanks to LC and EW. He said that they provide good leadership of the Trust. He also added his thanks to the Headteachers for



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their remarkable work in 2020/21 on behalf of the HUET, and to MSA for her work as HUET Company Secretary. He added that he wanted to pay special thanks to all staff in the HUET and asked LC to ensure that they receive grateful thanks from the Board for the extraordinary commitment they made to the HUET and its pupils throughout the very difficult months of 2020/21.

TS asked if there were any questions relating to the information presented in his report.

No questions were received.

5.2 HUET Achievements and Performance (LC)

TS asked Lindsey Cooke (LC) if she would highlight the achievements and events for 2020/21.

LC thanked all for attending and formally thanked all those that had contributed to the HUET during 2020/21. LC highlighted the following points:

The aims of the HUET

LC explained that the principal object and activity of the HUET remains unchanged - to advance, for the public benefit, education in the United Kingdom, in particular by further improving schools, offering a high-quality educational provision through a broad and balanced curriculum for all of its pupils and students, irrespective of ability and aptitude.

LC highlighted the aims of the HUET during the year ended 31 August 2021 again remain unchanged as follows:

- **Belong** – all children and young people within the partnership will feel part of a happy, safe and caring community where the values of respect, honesty, friendship, kindness, responsibility and perseverance are promoted and celebrated.
- **Aspire** – all children and young people will be encouraged and supported to aim very high developing fully their unique gifts, talents and abilities through a relentless focus on maximising learning opportunities both within and beyond the curriculum.
- **Achieve** – all children and young people will be encouraged and supported to achieve their full potential, leaving the care of the partnership with outstanding academic qualifications, and the skills and personal qualities required to succeed in a rapidly changing world.
- **All member schools** (founder and future) will remain non-selective and will be supported in maintaining any current religious affiliation.

This will be achieved through:

- A relentless focus on raising the standard of educational attainment and achievement of students of all ages, abilities and aptitudes.
- A stimulating learning environment, supported by consistent expectations.
- Care, support and intervention that places the individual at the centre of everything that we do.
- Celebration of all forms of success and reward of positive attitude and effort.
- Close partnership between parents, schools and the children and young people to support progress.
- Curriculum opportunities that promote understanding and appropriately



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- challenge every child and young person.
- Opportunities outside the curriculum that develop a broader personal development.
- A clear understanding of rights and responsibilities in a global community.

5.3 Objectives, Strategies and Activities (LC)

LC mentioned that broad themes were agreed for the HUET development plan for 2020-2021. Priorities identified included:

- **The quality of education and outcomes** – to continue to develop the quality of the transition curriculum in English and maths / to continue to improve pupil outcomes in maths across all key stages / to continue to improve the consistency of outcomes for disadvantaged pupils across all curriculum areas and in all key stages
- **Personal development and welfare** – to further improve the culture of safeguarding across all schools / further improve the attendance of disadvantaged pupils
- **Governance** – to develop the capacity of the HUET Board in advance of expansion / to continue to improve monitoring of compliance with GDPR / to support Welland ASC in holding its headteacher to account
- **Leadership and management** – to develop the HUET to meet the needs of housing developments in south Worcestershire – expansion of Hanley Castle to 180 PAN, Kempsey to 60 PAN, Welland to 30 PAN, potential free school bid / appoint DPO / maintain support to Welland Primary School (supported status)

LC said that the HUET schools have also continued to develop the scope of their work in initial teacher training in partnerships which include the University of Worcester, and the Prince Henry's Teaching School Alliance.

She added that each school had its own individual development priorities for 2020-21 details of which are available from each school.

5.4 Achievements and Performance (LC)

LC referred to pages 8, 9 and 10 – Appendix 1 and listed the achievements highlighted. She commented that all four schools had not been prepared for the first lockdown however, during the second lockdown schools had been much more prepared. She said that all schools had continued to deliver a high-quality curriculum to pupils, whether in school or remotely, meeting DfE guidelines where possible.

LC mentioned that all schools ensured that all pupils at home had access to IT hardware and software which allowed them to access fully the school's remote learning provision and where this was not possible, schools provided effective alternatives.

LC confirmed that all staff had access to high-quality CPD to improve their expertise in the use of remote-education technologies and clear guidance had been provided to staff regarding remote learning expectations.

LC explained that great efforts were made to ensure that the disruption to in-school provision did not lead to pupils, either individuals or groups, falling behind. She added that Y11 and Y13 students are well placed to complete their exams. She confirmed



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that writing has been identified as an issue for some students. She said that key groups and individuals have been identified and targeted support is planned or is already being provided. She confirmed that effective use has been made of catch-up funding to enhance provision and support individuals.

LC formally congratulated the Headteachers, staff and ASC members of all schools for their success.

5.5 Personal development, behaviour and attitudes (LC)

LC commented that safeguarding is an overarching priority for the HUET and all four of its schools. She said that regular training for Members, Trustees, ASC members and staff is compulsory, and the pace of change in this area has made training sessions and follow up essential to ensure that knowledge is kept up to date through accredited sessions.

LC confirmed that the cross HUET safeguarding policy has been updated and is now firmly embedded, improving practice and procedures across the MAT, including successful Trustee-led audits carried out at schools. She added that all four schools have adopted the CPOMS whole school safeguarding monitoring system.

5.6 Leadership and Management (LC)

LC confirmed that the benefits of the HUET remain obvious, with collaboration and good practice being shared at both senior and middle leadership level. She said that joint staff training, particularly in safeguarding, has ensured that safeguarding policies and practice across the HUET are of a consistently high standard (as recognised in both this year's Ofsted inspections).

LC added that the four schools are collaborating to further improve the transition curriculum in English, mathematics, and IT, further improving provision for premium pupils, continuing to raise attainment in literacy and numeracy, further improving the quality of teaching and learning and developing middle and senior managers.

At this point TS invited EW (Chief Finance Officer) to report on the financial position. EW presented as follows:

5.7 Accounts

EW mentioned that Bishop Fleming audited accounts early in October 2021 which went extremely well and no significant issues or unadjusted items were identified. She formally thanked the finance team for all of their hard work.

EW said that the accounts together with the management letter were presented by Bishop Fleming at the Audit Committee in November and at the HUET Board in December. She said that the management letter confirmed a clean and unmodified audit report and there were no significant matters to report on either audit materiality or internal financial controls. She added that Bishop Fleming were very complimentary of the finance team and said we were a well-run trust.

5.8 Annual Report and Financial Statements

EW explained that the Financial statements highlight the financial position and performance of the HUET and the 2 key documents are:



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- The SOFA (page 29 – Appendix 1) - is a record of income and expenditure split between restricted and unrestricted funds and shows amounts b/fwd. from previous year, income and exp in year and amounts c/fwd to the next year.
- The Balance Sheet (page 31 – Appendix 1) - provides a snapshot of the HUETs financial position or worth at 31 Aug 21 showing the various assets and liabilities and reconciling these to the value of funds in the SOFA.

EW said that these primary financial statements are then followed by the notes to the financial statements which provide information on financially significant issues to aid the readers understanding of the accounts.

5.9 Overview of the SOFA for 2021 (P21)

EW pointed out that the Restricted Funds are separated between General and Fixed Asset Funds.

EW explained that Restricted General Funds represent income and expenditure which can only be spent for particular purposes and include General Annual Grant (GAG), pupil premium, universal infant free school meals, Yr. 7 catch up and high needs SEN funds. She said that general funding for the financial year 20/21 is driven by pupil numbers from the school census in October 2019 -1651.

EW said that total income in the year was £10.5m but includes £1.4m fixed asset funds which related mainly to the capital income for the expansion project at Welland £0.9m and CIF funding for boiler work at Hanley Castle and fire alarm replacement systems at Hanley Castle, Welland and Hanley Swan 0.5m.

EW confirmed that unrestricted funds can be spent on any purpose at the discretion of the trustees within the objects of the academy and were £128k for the year. She said that this included income from breakfast club, catering income, mentoring, trips and sports partnership. EW said that it should be noted that trips are run to breakeven and the income in unrestricted funds of £32k is offset by trip costs of the same in expenditure. Restricted income lower than 19/20 due mainly to impact of pandemic on trips and lettings.

EW mentioned that the restricted income in the year of £8.9m is broken down (Please see further in notes 3-4 on pages 40-41).

EW highlighted the following key points:

- The total expenditure in the year was £10.1m, mainly staff costs £7.7m (further details are available in notes 7-10 in the accounts).
- Staff costs have increased by £0.7m compared to 19/20 due to teachers pay awards £150k and inc drift £80k
- LGPS increase £110k, cleaning back in house £100k and Support Staff pay award £50k
- Non-payroll costs of £2.4m includes premises costs, depreciation, catering costs, trip costs, insurance, exam fees, IT costs, educational equipment etc.
- Premises and other costs are in line with previous years with saving in trips offset by additional capital expansion and sports hall costs written off in the year (HCHS)



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- The expenditure within fixed assets of £1,056k includes the annual depreciation charge of £278k and the expenditure on the new classrooms at Hanley Castle which are now written off in the year of purchase £778k.
- In the year the trust used £207k of reserves to support IT capital investment at Hanley Castle and Kempsey, CIF projects at Hanley Castle, playground equipment at Hanley Swan, and furniture for new classrooms at Welland.
- Whilst net movement in funds in the year was £360k if we exclude the movement in the LGPS pension deficit of -£374k (due to increased liabilities and market uncertainty) and increase in fixed asset funds of £597k, this leaves an in-year surplus of £137k.
- Key number on SOFA - free reserves of £568k - equivalent to 6.4% of income
- All schools reported an in-year surplus before transfer to capital and all schools ended the year with results better than both budget and forecast.
- Final reserves (see note 19) by academy are
 - Hanley Castle High School £286k (4.8% of income)
 - Kempsey Primary £193k (12.3% of income)
 - Hanley Swan £38k (6.2% of income)
 - Welland £42k (6.0% of income)
 - HUET Top Slice £9k

5.10 Balance Sheet (Page 31)

EW explained that the balance sheet provides a snapshot of the HUET's financial position or worth at 31 August 21 showing the various assets and liabilities and reconciling these to the value of funds in the SOFA of £2,940k.

EW pointed out that Fixed Assets of £6078k nbv now exclude Hanley Castle land and buildings – breakdown included in note 14.

EW said that since academy conversion the trust has invested a significant of money in capital as follows:

- £3.3m funded from CIF bids – Science, new 6th form, new roof, windows, IT infrastructure sports hall, hall and boiler Hanley swan.
- £3.6m funded from LA S106 monies for KPS, WPS and HCHS expansions
- £1.4m funded from reserves – IT, furniture, staging etc.
- £0.1m – donations

EW highlighted the following points:

- Expenditure in the year was mainly on expansion at HCHS, KPS, WPS and some IT investment
- Debtors of £1,745k include the expansion funding for Hanley Castle and WPS not yet received of £1362k, VAT and prepayments – see note 16.
- Cash at year end of £1099k
- Creditors of -£1164k includes purchase ledger creditors, payroll creditors and accruals – see note 17.
- The deficit on LGPS pension scheme of -£4,826k is slightly higher than 2020 due to a combination of increasing liabilities and general market uncertainty.

5.11 Next steps

EW confirmed that once approved the accounts will be filed at Companies House by May 22 and the accounts have been sent to the ESFA and published on the HUET



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website. EW added that there is also a requirement to complete another return for the ESFA, the Annual Accounts Return (AAR) which has already been completed.

EW asked the HUET Members to formally accept and approve the 2019-20 HUET Annual Report and Financial statements.

DECISION: The Members of the Academy Trust unanimously approved the 2020-21 HUET Annual Report and Financial statements. Proposed by SP, Seconded by MW.

TS formally thanked EW for providing the detailed finance information and for explaining the information clearly in order for all to understand. Also, TS formally thanked EW and the finance team for their work.

5.12 Update for 2021/22 to date

EW highlighted the following key developments:

- Pupil numbers - Oct 20, 1611, and Oct 21, 1707
- WPS expansion has been completed
- CIF projects in progress – boiler at HCHS
- Submitted a further 4 capital bids as part of the annual CIF process - £0.4m
- Management Accounts -all schools are currently better than budget as at end of Dec 21 +£52k on budget year to date.
- Forecast reserves at end of 21/22 £538k

No questions were raised in relation to the financial information provided.

6. HUET Developments 2021/22

LC highlighted the following points:

LC explained that each school have their own individual development plan which follows the structure of the new Ofsted framework.

Full details of all plans for the future are provided in the HUET Development Plan, which is available on the website or from the Company Secretary.

7. Appointment/Retirement of Members/Directors

The appointments / resignations are noted on page 1 – Appendix 1

8. Appointment of Auditors

TS informed those present that under company law it is necessary to formally appoint an auditor each year once the accounts have been signed and audited. He explained that the recommendation is made by the Chair of the Audit Committee who is currently PS and invited PS to comment.

PS mentioned that Bishop Fleming LLP had been the auditors of both Hanley Castle High School and HUET for 10 years. He explained that the Audit Committee was mindful of both the time since audit services were market tested and also audit ethical standards which suggests rotation of audit partners to provide assurance over their independence.



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PS explained that he and EW carried out a tender exercise in the year end and although it was a very close outcome Bishop Fleming scored most favourable. He said that he and EW were satisfied that they had tested the market and were reassured to find that Bishop Fleming were offering a very competitive service.

PS confirmed that he had recommended to the HUET Board that Bishop Fleming are re-appointed as the HUET Auditors for a further 3 years with a possible 2-year extension at the end of the 3-year period.

PS confirmed that these recommendations were approved by the Trust Board at its December meeting.

TS asked the HUET Members to formally approve the appointment of Bishop Fleming as its auditors for 2021-22.

DECISION: The Academy Trust unanimously approved the appointment of Bishop Fleming as its auditors for 2021-22. Proposed by MW seconded by PS.

9. AOB

TS explained that JCP had raised some questions before the AGM. He confirmed that the answers to these questions will form Appendix 2 to these minutes.

No further items were raised.

Appendices

Appendix 1: Annual Report and financial statements to 31 August 2021

Appendix 2: Questions asked by JCP (Parent HCHS) and answers provided by HCHS

SUMMARY OF DECISIONS



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<u>Item</u>	<u>Decision</u>
5	The Members of the Academy Trust unanimously approved the 2021-22 HUET Annual Report and Financial statements. Proposed by MW, Seconded by SP.
8	The Academy Trust has approved the appointment of Bishop Fleming as its auditors for 2021-22.

SUMMARY OF ACTIONS

<u>Item</u>	<u>Action</u>	<u>Responsibility</u>
	No actions	

Next meeting – TBC – January 2023