

Date: 7<sup>th</sup> December 2016

Time: 5:00 pm

<b>Present</b>	Ann-Marie Briggs (AMB - Chair) David Cottrell (DC - Vice-Chair, Director) Andy Hunter (AH - Member, Director) Michael Southgate (MS – Director) Emma Paramor (EP – Headteacher – Langham Oaks) Lisa Christodoulides (LC- Headteacher – Grove House) Sally Lockyer (SL – Director) Sally Davies (SD Principal - Thriftwood School and College) Jackie Harper (JHa, Director of Business – SEAX Trust) Kate Stannard (KS, Director of HR – SEAX Trust)
<b>Apologies</b>	John Revill (Director) Angela Bradding ( Director) Stephen Hile (Director) Mark Ross (Member) Canon Rev'd Ivor Moody (Member)
<b>In Attendance</b>	Gillian Mackenzie (Company Secretary – SEAX Trust) Clive Smith (MWS Accountants – FOR AGENDA ITEMS 7 & 8) Kerry-Ann Jervis Scott (MWS Accountants – FOR AGENDA ITEMS 7 & 8) Andrew Barton (Member – SEAX Trust) Tony Cox (Member – SEAX Trust)

The meeting commenced at 5:00pm at Thriftwood College.

Please note Members of the SEAX Trust were invited to attend the Board meeting to have the opportunity to discuss the accounts with MWS Accountants.

		<b>ACTION</b>
<b>STBOD 1617.24</b>	<b><u>ATTENDANCE AND APOLOGIES FOR ABSENCE</u></b> The Chair welcomed Members of the Trust, directors and staff to the meeting.  Apologies were noted and accepted from John Revill, Angela Bradding, Stephen Hile, Mark Ross and Ivor Moody.  Attendees introduced themselves.	
<b>STBOD 1617.25</b>	<b><u>NOTIFICATION OF ANY OTHER BUSINESS</u></b> The Chair highlighted that the Resources and Audit Committee had actioned a request from Essex County Council for the early surrender of the lease to a property on the Langham Oaks site.  No other additional items of business were tabled for discussion.	
<b>STBOD 1617.26</b>	<b><u>DECLARATIONS OF INTERESTS</u></b> No interests were declared.	
<b>STBOD 1617.27</b>	<b><u>MINUTES OF THE PREVIOUS MEETING</u></b> The Chair advised the Committee that the minutes of the meeting of 19 October 2016 would be approved at the Board Meeting on 8 February 2016.	
<b>STBOD 1617.28</b>	<b><u>PRESENTATION FROM MWS ACCOUNTANTS (QUESTIONS AND ANSWERS)</u></b> The Chair welcomed Clive Smith (CS) and Kerry-Ann Jervis Scott (KJS) from MWS Accountants to the meeting. CS distributed a draft copy of the Annual Report and Financial Statements for the year ended 31 August 2016 and a number of supporting schedules to assist with the interpretation of the data.  Please note the page references referred to in this document relate to the draft Annual Report, filed alongside the minutes.	

Signatory Initial.....

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**Page 1** – CS asked directors to confirm the information on Members and Trustees to be correct.

**Directors agreed the data to be accurate.**

**Page 3** – CS explained the purpose of the Trustee’s Report. He was pleased to note a good quality report from the SEAX Trustees.

**Page 15** – Governance Statement – CS asked directors to confirm the accuracy of the data on governors’, trustees’ and Members’ attendance for the academic year 2015-2016. He highlighted the strong attendance. **Directors confirmed the data to be accurate.**

**Pages 17-19** – CS asked directors to review the Value for Money Statement and agree that it should be signed by the Chair on behalf of the Trustees.

**Page 20** – CS asked Sally Davies (SD) to review the Statement on Regularity, Propriety and Compliance and agree to sign on behalf of the SEAX Trust. This statement confirms the Trust’s compliance with its regulatory requirements.

**Page 21** – CS asked directors to review the Statement of Trustee’s Responsibilities for the Year Ended 31 August 2016 and agree that it should be signed by the Chair on behalf of the Trustees.

**Pages 22-25** – CS explained the Independent Auditor reports state that the Trust is well run. CS and KJS both stated that Jackie Harper (JHa), Director of Business, had worked closely with them and worked hard to produce two clean audits and a clear set of accounts. They commended JHa on a job very well done.

**Pages 26-52** – CS made a detailed presentation on the Financial Statements and accompanying Notes. He explained each table and NOTE to the directors. The following points relate to specific information highlighted by MWS:

**INCOME** - CS stated that comparison data to the previous year would be more valuable next year when the Trust can compare a full set of accounts (12 months) for both academies. Directors were asked to examine the schedule of MAT income which separated out Langham Oaks and Thriftwood, to interpret the information in the Financial Statements. CS highlighted that approx. £5.2m of the £5.5m income for 2105 related to the transfer of Langham Oaks to the MAT.

CS drew directors’ attention to the approx. £209k income from the Langham Oaks Outreach Programme (LOOP).

**EXPENDITURE** – CS highlighted the approx. £1.2m allocation for the LGPS Pension Scheme Deficit. This is due to a change in reporting requirements under FRS 102.

CS confirmed that the accounts contained no anomalies and were largely as expected.

**Page 36-37** – CS advised directors that Notes 6 and 7 of the Notes to Financial Statements are not required to be included in the accounts, the information contained in these Notes can be compressed and declared in Note 8 (page 38).

**Director Question/Challenge: Directors asked if there was any benefit not to include this information.**

CS explained that they had prepared the accounts with Notes 6 and 7 included as there was no reason to avoid its inclusion and he felt it added value to the accounts. CS also stated that the EFA could ask for this breakdown in the event that it is omitted. **Directors agreed that Notes 6 and 7 should remain part of the accounts.**

CS also highlighted that the Trust could elect to have sites revalued to current market values. This would incur a revaluation cost and there was no perceived benefit. **Directors agreed that SEAX would not look to revalue sites at this time.**

**Page 36 – Note 6** – CS highlighted staff costs to directors – FOR INFORMATION PURPOSES ONLY.

	<p><b>Page 37 – Note 7</b> – CS again highlighted wages to trustees so they could be satisfied with what is spent in this area.</p> <p><b>Page 39 – Note 11</b> – CS confirmed that the Trust will report on central costs for YE 31 August 2017.</p> <p><b>Page 42 – Note 20</b> – CS noted that the Bursary Fund must be included in the accounts.</p> <p><b>Page 43 – Note 21</b> – CS highlighted that direct costs relating to boarding had more than doubled from 2015.</p> <p><b>Director Question/Challenge: Directors asked if this meant that the current boarding provision had become unprofitable?</b> Staff confirmed this not to be the case.</p> <p><b>Page 49 – Note 26</b> – CS reminded directors of the need to monitor the situation with regard to the pension fund deficit, along with the risk and potential impact of a significant increase in pension repayment amounts. He reminded directors that an announcement was expected in January 2017 and that industry experts were hopeful that any increase to repayments would not be notable.</p> <p><b>Page 51 – Note 28</b> – CS agreed to amend wording to say ‘consulting services provided by the <i>Principal</i>’.</p> <p><b>Director Question/Challenge: Andrew Barton (AB) asked if there were any circumstances where the Trust would become liable to pay corporation tax?</b> KJS confirmed that the MAT’s activities (including LOOP) would be covered by charity exemptions.</p>	
STBOD 1617.29	<p><b><u>MANAGEMENT REPORT LETTER – AUDIT FINDINGS</u></b></p> <p><b>Directors noted the importance of providing up-to-date Business Interest Information in order to ensure that the Trust is not exposed to significant Business/Operational Risk.</b></p> <p><b>Directors noted that no control weaknesses were identified for 2016 at Thriftwood.</b></p> <p>CS noted the significant improvement identified relating to ensuring that purchase orders are raised for all items of expenditure at Thriftwood (identified as a control risk 2015).</p> <p><b>Directors noted the management response to control risks identified at Langham Oaks.</b></p> <p>MWS emphasised that JHa and her team had provided MWS with all the information required in a timely and professional manner. They were impressed with the quality of record-keeping and all staff had been helpful throughout the process.</p> <p><b>Directors thanked the JHa and the finance team for their hard work on a successful audit.</b></p>	
STBOD 1617.30	<p><b><u>APPROVAL OF COMPANY ACCOUNTS</u></b></p> <p><b>Directors unanimously agreed to approve the accounts, authorising the Chair on behalf of the Board, as signatory to:</b></p> <ol style="list-style-type: none"> <li>1. The Trustee’s Annual Report</li> <li>2. The Statement of Trustee’s Responsibilities</li> <li>3. The Balance Sheet.</li> </ol>	
STBOD 1617.31	<p><b><u>APPROVAL OF COMPANY ACCOUNTS</u></b></p> <p><b>The Accounting Officer recognised and signed:</b></p> <ol style="list-style-type: none"> <li>1. The statement of Regularity, Propriety and Compliance, and together with the Chair signed:</li> <li>2. The Governance Statement.</li> </ol>	
STBOD 1617.32	<p><b><u>APPROVAL OF COMPANY ACCOUNTS</u></b></p> <p><b>The Directors unanimously agreed to accept the Independent Auditors’:</b></p> <ol style="list-style-type: none"> <li>1. Draft report on the Financial Statements to the Governing Body of Both Academies.</li> <li>2. Draft report on Regularity to the Academies and the Educational Funding Agency.</li> </ol>	

<p><b>STBOD 1617.33</b></p>	<p><b><u>APPROVAL OF COMPANY ACCOUNTS – to consider and approve Auditors and Internal Controls Evaluators for the financial year 2016/17.</u></b>  <b>Directors unanimously agreed to appoint MWS Chartered Accountants as Auditors for the SEAX Trust for the financial year 2016-2017.</b></p> <p><b>They also agreed to continue to utilise the services of SBM Services (UK) Ltd to provide Internal Controls Evaluation and Finance Support to Business Managers for 2016-2017.</b></p> <p>The Chair thanked CS and KJS, on behalf of the Board, for the presentation.</p>	
<p><b>STBOD 1617.34</b></p>	<p><b><u>TO ACCEPT THE RESIGNATION OF JOHN REVILL AS A DIRECTOR OF THE TRUST.</u></b>  The Chair informed the Board of John Revill’s (JR) intention to resign as a director of the Trust, due to difficulty in being able to attend director’s meetings. AMB confirmed that JR wanted to remain part of the Trust and felt that it would be more appropriate for him to continue his involvement as a Member of the Trust. The clerk confirmed that the resignation would take effect at a later date, subject to the receipt of a formal letter from JR.</p> <p><b>All directors confirmed that they were minded to accept this resignation.</b></p>	
<p><b>STBOD 1617.35</b></p>	<p><b><u>TO APPOINT TONY COX AS A DIRECTOR OF THE TRUST</u></b>  The Chair informed directors that Tony Cox (TC) wished to increase his involvement with the Trust and that she was delighted to receive news that he wished to become a Director of the Trust. AMB noted that TC had tendered his intention to resign as a Member of the Trust and supplied the relevant details in order to record the potential appointment with Companies House.</p> <p><b>Directors agreed to appoint Tony Cox as a director of the Trust.</b></p> <p><b>ACTION: The clerk confirmed that this change in role would take place in the coming weeks and that she would advise the Board when the change had occurred and been registered with Companies House.</b></p>	<p>GM</p>
<p><b>STBOD 1617.36</b></p>	<p><b><u>SEAX TRUST STRATEGIC PLANNING</u></b>  SD provided directors with a summary of the proposals set out in the documents circulated with the agenda prior to the meeting:</p> <p>SD explained that recent changes to guidance about governance in Multi-Academy Trusts (MATs), both from the Government and the EFA, along with SD’s appointment as CEO of the SEAX Trust, had provided an appropriate opportunity for the Board to review governance arrangements in order to manage and guide the Trust in the most efficient and effective manner.</p> <p>She explained the importance of ensuring that the Committees of the Board were working cohesively, communicating clearly and utilising the time and expertise of the members of those committees in the most appropriate way. She was keen to agree clearly defined roles and responsibilities for each committee and emphasised the need to ensure that the structure of those committees reflected the evolving nature of the Trust.</p> <p>AMB highlighted the need for directors to fully consider the membership of board and whether it should include the CEO and Headteachers of each academy? The recommendation would be for the CEO/Executive Principal to represent the views of the academy Headteachers on the Board.</p> <p>SD explained that, under these proposals, Headteachers would form a new sub-committee, meeting every 3 weeks and could input their views to the Board via the CEO (who would chair the group).</p> <p>Emma Paramor (EP) wished to reiterate a previously expressed opinion that whilst she had found it extremely valuable to be a director of the trust from its inception, she felt confident that the ‘non-executive’ members of the Board could make sound, well-informed decisions in the best interests of the students. EP felt that her contribution could be more focused as an active member of the Headteacher group, reporting into the committees of the Board.</p> <p>SD also highlighted the need to agree on the language used by the Trust, she noted current guidance preferred the use of the term ‘trustees’ rather than ‘directors’ for members of the Board. She also</p>	

	<p>noted the preference for the term ‘Local Academy Committees’ as a replacement for ‘Local Governing Bodies’ (LGB).</p> <p>SD explained the importance of clear lines of communication within a defined plan of how communication between bodies in the Trust would operate.</p> <p>She outlined her vision where expert groups, HR and Business Managers and Headteachers, would report back to the Local Academy Committees on administrative issues, allowing the Local Academy Committee to devote more time to monitoring/challenging the Academy Improvement Plans and ensuring that appropriate systems and controls are in place.</p> <p>Directors discussed the need to recognise the differing stages of involvement with the Trust for each academy, noting the excellent work done by governors at all the academies, either at the LGB level or sub-committees within the LGB. SD outlined that the proposed new structure should reduce the administrative burden on Headteachers and LGBs. Under the new proposals, each academy would be represented on the Board by a member of the Local Academy Committee. Directors discussed whether this had to be the Chair of the Committee. They agreed that the Local Academy Committee might want to nominate someone other than the Chair for this role.</p> <p><b>Directors agreed that they were in support of the proposals outlined in the documents attached.</b></p> <p>Specifically:</p> <ol style="list-style-type: none"> <li>1. <b>Agreement was sought that Academy Headteachers would no longer be Board members, but would for part of the advisory Headteacher’s group chaired by the Executive Principal. This was agreed and Headteachers were content.</b></li> <li>2. <b>Agreement was sought that the Executive Principal/CEO be a Board member: this was agreed.</b></li> <li>3. <b>Agree language to describe BOARD – i.e. Directors/Trustees: this matter was left in abeyance</b></li> <li>4. <b>Agree language to describe Local Governing Bodies – Proposal agreed that these be referred to in future as Local Academy Committees , although their member would still be governors</b></li> <li>5. <b>Agree specific information flows/communication between Board and Committees.</b></li> <li>6. <b>Review of constitutional documents of the Trust in the light of the above.</b></li> </ol> <p>Directors also discussed whether the HR/Business Managers group would be a formally constituted committee of the Board, as no directors (trustees) would be part of the committee. Directors agreed this would be an advisory committee.</p> <p><b>ACTION: SD and AMB agreed to do further work in this area on matters unresolved, and consult with the Board to approve and implement final changes.</b></p>	
<p><b>STBOD 1617.37</b></p>	<p><b><u>TO APPROVE RECOMMENDATIONS FOR CHANGE TO HR AND PAYROLL PROVIDERS.</u></b></p> <p>Please note: Prior to the meeting, the clerk advised the Board of Directors that the recent Resources, Audit and Premises (RAP) committee (held on 23 November 2016) had considered a recommendation on a change in HR provider for the Trust, subject to further analysis by Kate Stannard (KS) -Director of HR - and SD. Following that meeting, SD and KS decided that a more detailed analysis of the offerings available to the Trust was required before bringing a recommendation to the Board. This means that the Trust will continue to use ECC for its HR advice provision for the forthcoming year 2016-2017.</p> <p>JHa provided directors with an analysis to support her recommendation for a change in payroll provider to the Trust for 2016-2017. She explained that this had been discussed at the recent RAP Committee meeting on 23 November 2016. The decision had been deferred to the Board meeting to enable JHa to visit Grove House to gain an overview on how SGW payroll systems were administered at the local school level (the preferred provider).</p> <p>As a result of that visit JHa wished to recommend that the Board approve the recommendation to use SGW payroll systems for the Trust for 2016-2017.</p> <p>JHa explained the operational benefits and the cost savings that would be achieved as a result of this change.</p>	

	<p><b>Directors agreed that the SGW Payroll Services should be appointed to administer the Trust’s payroll provision from 1 April 2016.</b></p>	
<p><b>STBOD 1617.38</b></p>	<p><b><u>ANY OTHER BUSINESS</u></b>                  Directors noted the amendments to the SEAX Sickness Management Policy.                  Directors noted the amendments to the SEAX Complaints Policy.</p> <p>Both policies would be made available to staff, the updated complaints policy would be uploaded to the SEAX website.</p> <p>The Chair thanked all attendees for their attendance at the meeting and noted the next meeting of the Board would take place on 7 December 2016 at 5pm.</p>	

**The meeting closed at 7:00 pm**

**The next meeting will take place 8 Febraury 2017 at 5:00pm at Thriftwood College**

Signed .....  
 (Chair of BOARD)

Date: .....