

SEAX BOARD OF DIRECTORS MEETING - MINUTES

Wednesday 15th April 2015 – 5pm – 7pm

Director Attendees:

Sally Davies (Executive Principal)
Ann-Marie Briggs (Chair, Thriftwood LGB)
Steve Hile (Thriftwood)
David Cottrell (Thriftwood)
Michael Southgate (Thriftwood)
Emma Paramor (Headteacher, Langham Oaks)
John Revill (ESSET Representative)

Others in Attendance:

Jackie Harper (Academy Business Manager, Thriftwood)
Sharan Sandhu (Secretary, SEAX Trust)

Presentation:

Jon Gorridge – MWS Accountants

Apologies:

Andy Hunter (Member Director)
Kate Stannard (PA/HR Manager, Thriftwood)

Minutes

Presentation:

Jon Gorridge from MWS accountants attended the meeting initially providing information to the Board of Directors information that they might find useful and helpful. **Appendix 1.**

Main points:

- 1) The Directors require indemnity insurance (already in place). Directors are fully responsible, also as Charity Trustees and therefore need to be informed of finances and educational aspects of schools within the Trust.
- 2) SEAX Trust delegates responsibilities down to Thriftwood and Langham Oaks local governing bodies (acting as sub-committees).
- 3) Members need to be informed about activities and sign final accounts via an AGM.
- 4) Consolidated set of accounts for Thriftwood and Langham Oaks: Directors need to choose to have consolidated budget or a separate budget for Thriftwood and Langham Oaks.
- 5) Possible requirement to send the EFA budgets for 2014-2015? **Jon** to look into this and confirm back to **Jackie Harper**.
- 6) Need to sign a declaration for revenue. Only register Business interests of the Directors

Mr Gorridge was thanked by the meeting for his information and support and left before the business of the meeting began.

MEETING

Agenda		Action
1	ATTENDANCE & APOLOGIES: The inaugural meeting was attended by Directors named above. Apologies were accepted from Andy Hunter and Kate Stannard.	
2	ANY OTHER BUSINESS : Emma Paramor wanted to add issues regarding rabbits at Langham Oaks. Discussed in point 19.	
3	MULTI ACADEMY TRUST CONVERSION: All documents were noted by the Directors and are available in a central SEAX Trust folder. They will be available electronically on the SEAX website when completed.	

3.1	DEED of VARIATION: This was duly Noted by Directors as converting the Thriftwood Academy Trust into the 'SEAX Trust'.	
3.2	MEMORANDUM & ARTICLES of ASSOCIATION: Appendix 2. New M&A were noted by Directors. Also as advised earlier by Browne Jacobson: 1) Sally Davies is referred to as 'CEO'. 2) Academy Trustees are now referred to as "Co-opted Trustees". 3) Potential provision was made for future inclusion of staff Directors.	
3.3	FUNDING AGREEMENTS: Mrs Davies stated that whilst the Trust has much autonomy, however we do not have control over the admissions to the Academy schools. It was discussed that there is a Master Funding Agreement with two separate agreements, one for Thriftwood and the other for Langham Oaks. These again will be made available on the SEAX Trust website when it is established.	
3.4	LEASES: Thriftwood and Langham Oaks are both leased properties (from Essex County Council) with a duration of 125 years.	
3.5	SCHEME of DELEGATION The terms were noted by Directors. Mr Jon Gorridge (MWS) had previously commented that the scheme seemed very comprehensive. The meeting agreed that whilst restrictions on a sponsored academy can be put into place by the Board, as SEAX is a co-operative working partnership, these are not currently applicable. Mrs Briggs stated that work will begin to create a Terms of Reference document at the earliest opportunity to clarify the Scheme for all parties.	SS/SD
3.6	TERMS OF REFERENCE LOCAL GOVERNING BODIES: It was noted that LGB's should publish their documents and Finance reports. John Revill questioned if Board minutes needed to be published. Sally Davies mentioned upon researching this, it seemed apparent that we did not have to publish these but they would be available on the secure section of the SEAX Trust website.	
4	RESOLUTION TO FIX A QUORUM (ARTICLE 117): After discussion of Article 117 it was agreed that the fixed quorum would be a majority of the Directors in office at the time of any meeting of the Board.	
5	DISCLOSURES: A Register of the governors' business interests already exists, however, Jackie Harper advised that we need to include Members and the Directors. No new disclosures were made by those present.	JH
6	ELECTION OF CHAIR and VICE CHAIR: Ann-Marie Briggs was nominated and appointed Chair with no objections. David Cottrell was nominated and appointed Vice Chair.	
7	ACCOUNT REFERENCE DATE, APPOINTMENT OF AUDITORS, BANK ACCOUNTS: Accounting reference Date is 31 st August. The Board agreed with the Appointment of MWS Accountants as SEAX Auditors. Two Lloyds Bank accounts have been opened. One for Thriftwood and one for Langham Oaks. We will be opening a SEAX Bank account by next meeting.	JH
8	APPOINTMENT OF ACCOUNTING OFFICER AND CHIEF FINANCE OFFICER: Appointments confirmed as: Accounting officer – CEO, Mrs Sally Davies. Chief Finance Officer (CFO) – Mrs Jackie Harper.	

9	<p>TRUST APPOINTMENTS: Appointments previously made during SEAX Trust formation were confirmed as: ‘CEO’ (Titled Executive Principal) – Mrs Sally Davies. Headteacher of Langham Oaks School – Mrs Emma Paramor. Secretary to the Board of Directors – Ms Sharan Sandhu. Directors had interviewed and discussed preliminary Performance Management objectives. Job descriptions for each post are available.</p>	
10	<p>APPOINTMENT OF EXECUTIVE PRINCIPAL TO MEMBERS OF THE TRUST (ARTICLE 57): Directors agreed a Memo needs to be sent to the Members of the Trust regarding the appointment of the Executive Principal as a Director for their approval as specified in the above Article.</p>	SS/SD
11	<p>APPOINTMENT OF COMMITTEES: It was agreed to establish the following Committees and membership: Resources and Audit Committee: Andy Hunter, David Cottrell, Steve Hile, Emma Paramor. Sally Davies to attend. Curriculum and Standards Committee: Michael Southgate, Anne-Marie Briggs, John Revill, Sally Davies. Emma Paramor to attend. Terms of Reference for these committees will need to be researched to make a SEAX version. These committees will meet once a term and 2 weeks prior to the Board of Directors meeting dates to be confirmed.</p>	SD
12	<p>APPOINTMENT OF OTHER ROLES: Appointments are confirmed as: Safeguarding and Boarding – Michael Southgate. Responsible Officer – John Revill.</p>	
13	<p>MEMBERSHIP OF LOCAL GOVERNING BODIES: As per Appendix 3, the Board of Directors appointed all personnel listed with the exception of Stephen Wiper. He is pending a decision as of related party contract. The appointments are subject to satisfactory DBS reports. Governors will be notified.</p>	ALL
14	<p>INTENTION TO APPOINT FUTURE CHAIR OF LANGHAM OAKS LGB AS DIRECTOR: Noted. As Langham Oaks has yet to have its inaugural meeting (planned for 20.4.15) the Chair has not been identified.</p>	
15	<p>REPORTS FROM EXECUTIVE PRINCIPAL & HEADTEACHER OF LANGHAM OAKS: Sally Davies briefly informed all that the Trust is established, has the appropriate funding, a logo and a base in the College building and is now working on the website. She had no outstanding issues to report at this stage. Emma Paramor informed all that Langham Oaks have a logo and have ordered the signage. She advised that Langham Oaks does not now carry any grading as they are a new provision for OFSTED purposes. Emma mentioned that the pre-establishment OFSTED had been completed.</p>	
16	<p>REPORT from CHIEF FINANCE OFFICER: Appendix 4. <u>The following were approved following discussion, as proposed by Jackie Harper:</u> (7) £6,847 from Thriftwood Lloyds account to be transferred to Langham Oaks Lloyds account. (7) £50,000 from Thriftwood Lloyds account will remain in this account for Langham Oaks April payroll and a future reconciliation will be made and any balance would be rectified. (9) Langham Oaks Pupil Premium of £10,019.75 to be transferred to Langham Oaks Lloyds account. (10) £550,000 transferred from Thriftwood NatWest account to Thriftwood Lloyds account. It was noted that the intention is to close Thriftwood NatWest account by 31st May. Mrs Harper has registered the SEAX Trust with the information commissioner’s office for Data Protection.</p>	JH
17	<p>MINUTES OF RECENT LGB & LGB DESIGNATE: Noted. Agreed that the Board of Directors to receive minutes from Local Governors Board meetings for both Thriftwood and Langham Oaks.</p>	

18	<p>POLICIES SPECIFICALLY PAY POLICY & PERFORMANCE MANAGEMENT POLICY: We need to align the policies between the schools in the Trust. The Executive Principal and Headteacher will be in the process of adapting the existing policies until the subsequent meeting (13.07.15) until which date the current policies were adopted. Directors discussed that in the future that we could have a single policies with amendments/additions dependant on the School concerned.</p>	
19	<p>ANY OTHER BUSINESS: Emma Paramor mentioned that Langham Oaks are suffering damage from rabbits as pests on their land. Possible action depends on who owns the land. As the land is leased SEAX would expect to maintain the land, however Mrs Paramor will need to check with the properties company (Lambert Smith Hamilton), as this potentially could be a health and safety issue.</p>	EP
20	<p>ACTION PLAN FOR EXECUTIVE PRINCIPAL AND DEVELOPMENT OF TRUST:</p> <ol style="list-style-type: none"> 1) Sally Davies and Emma Paramor to meet with Sharan Sandhu to plan next year’s meeting dates and events throughout the year. It was agreed that the Board of Director meeting will be held on a Wednesday evening 5 – 7 pm in Thriftwood College. 2) Set clear long term objectives and short target objectives. 3) Action plan for Development of Trust in immediate and medium term: Mrs Davies stated that the Board needs to now begin to decipher what we want the Trust to achieve, and set up systems and structures. <p>The Meeting closed with thanks from the Chair to all attending and noting the great progress made in establishing the Trust over the previous eighteen months.</p>	SD/EP/SS

Next Meeting

The next meeting will be held on Monday 13th July at 5pm in Thriftwood College.

Signed (Chair of Board of Directors)

Date:

ACADEMY DIRECTORS, GOVERNORS AND TRUSTEES

As a governor of an academy trust you are a school governor, a company director and a charity trustee. These are not different positions but rather reflect the origin of your legal duties.

As an academy is also a charitable company limited by guarantee, the governors have duties as directors under company law and trustees under charity law.

Responsibilities as charitable trustee

- Duty of Compliance; Charity trustees must always ensure that the charity is using its resources for its charitable purposes. The charitable purpose of your academy trust is set out in your objects clause in your articles of association. The primary object will be to advance education for the public benefit.
- Duty of Prudence; Trustees must ensure the academy trust remains solvent and keeps up-to-date with its financial records. Trustees must ensure that the academy trust's assets are used to meet its charitable objects - for example, it would not be appropriate for an academy to let profit-making organisations use its premises for profit-making activities free of charge.
- Duty of Care; You must use reasonable care and skill in your work as a governor, using your personal skills and experience as needed to ensure that the academy trust is well-run and efficient.

Responsibility as directors

- Duty to act within powers; acting within your powers also means that you should only act within the scope of that delegated authority where such authority is given to you. For this reason it is very important that the governing body are very clear when giving delegated authority
- Duty to promote success of the company;
- Duty to exercise independent judgement; this means that although you can rely on expert advice and delegate matters to committees, you should still sense-check any advice or committee recommendation.
- Duty to exercise reasonable care, skill and diligence;
- Duty to avoid conflicts of interest;
- Duty not to accept benefits from third parties; and
- Duty to declare an interest in a proposed transaction or arrangement.

Protection

The Articles of Association state that the academy trust will indemnify a governor against any claim brought against them in their capacity as a director in certain conditions as set out in the Articles. This should be backed by directors' and officers' indemnity insurance.

Multi Academy Trusts (MATs)

It is also important to consider that the board of directors of a Multi-Academy Trust ("MAT") must still comply with duties under both charity and company law, despite the fact they are likely to delegate the day to day running of the schools to the local governing body of each academy. Mechanisms should be put in place to ensure that delegated duties are properly discharged.

The MAT will have a board of directors which commonly comprises of representatives from each of the member academies.

The board of directors of the MAT must take into account their duties outlined in the pages above when making strategic decisions.

Each LGB should be required to report to the directors about how its duties are being discharged.

Duties of the LGB

Most of the LGB will not be directors or trustees of the MAT and will mainly be representatives from the school. They will however have duties delegated to them by the board of directors and it will be the responsibility of the board of directors to ensure that they are exercising these functions in line with the relevant duties. The LGB will still have responsibilities as school governors.

Conflicts

The board of directors must consider the potential for conflicts between their duty to the MAT as a whole and duty to individual schools. There is potential for a conflict between a person's duty as a governor (to their respective school) and their duty as a director (to the MAT) e.g. where a MAT provides services to the member school. A director must ensure he considers and promotes the needs of each individual school for the benefit of the MAT, and not simply focus on achieving the best outcome for their own school.

Re Final SEAX M&A
From Jamie Otter, Browne Jacobson

As discussed, whilst your meeting last month approved the articles in the form presented to the members, they did allow for changes proposed by the DfE to be taken account in producing the final version.

I therefore attach copy of the articles proposed by the DfE highlighting the key differences between the set approved last month.

We discussed that the changes proposed by the DfE were of no particular importance, but it was good practice to make the working party aware of what these were:-

They include:-

1. **Definition of Executive Principal** - the DfE model prefers to name Sally's role as the "Chief Executive Officer" in the Articles. It's a quite pedantic point to raise, but I would recommend accepting this, as it does not affect what Sally calls herself to the outside world or affect her job description;
2. **Definition of Academy Trustees** - despite accepting the term many times over the last few years, DfE's policy is now not to accept this term in the Articles. They prefer these to be Co-opted Trustees. As the Board is still in control about how and who to appoint, this again, has no effect on the Boards freedom to appoint, so I recommend that it is accepted. As a belt and braces approach, I would recommend confirming that those appointed Academy Trustees at your last meeting are now "Co-opted Trustees" and any policy applied to the appointment of Academy Trustees would now apply to Co-opted Trustees
3. **Addition of Staff Trustees** - as you are aware, the model of governance agreed by SEAX Trust does not allow staff trustees to appointed solely because of their position as a member of staff (although you will have a number of staff on the board). The DfE would like us to add a provision that staff trustees may be appointed in the future, stating that this would be helpful should the governance model change in the future. I do not necessarily agree with their reasoning (and I suspect it has never been raised with you up to this point), but given the timescales, I would recommend accepting as there is no compulsion to appoint these trustees.

Please let me know if you have any comments.

Kind regards

Jamie Otter

For Directors Approval Wednesday 15th April 2015: Proposed Local Governing Body Memberships

Local Governing Bodies are committees of the main Board of the Trust with powers as described under the Trust Scheme of Delegation. Governor terms of Office are four years.

Langham Oaks School

The following community members have applied to become governors (subject to satisfactory DBS):

1. Angela Bradding
2. Dave Baker
3. Lizzy Fermin
4. Jenny Southworth
5. Stephen Wiper
6. (Parent Vacancy)
7. (Parent Vacancy)

Staff Governors:

8. Mrs Emma Paramor – Headteacher/Director
9. Mr Alex Drennan – Deputy Headteacher

NB Chair of LGB to be appointed as Director

Thriftwood School and College - as existing membership:

1. Ann-Marie Briggs –Chair/Director
2. David Cottrell – Vice Chair/Director
3. Peter Dervin (Parent)
4. Steve Hile (Parent) - Director
5. Nigel Rothwell
6. Claire Smith
7. David Lane (Parent)
8. Parent Vacancy

Staff Governors

9. Mrs Sally Davies – Principal (Director/Executive Principal)
10. Mrs Elizabeth Smart - Head of College
11. Mrs Georgina Pryke – Head of School

A.M. Briggs 15.4.15

FINANCE REPORT: Chief Finance Officer Mrs Jackie Harper 15.04.15

- 1) The Funding Agreement has been received from DfE to SEAX Trust allowing Langham Oaks to open as an academy
- 2) EFA Budget for SEAX Trust
 - Thriftwood School GAG 1,938,223.20 September 14 to August 15
 - Langham Oaks GAG £284,236.27
 - Copy of Thriftwood position as at end February available. March month end will be available to LGB at the next meeting on 12th May
- 3) At present all funds are coming in to Thriftwood bank accounts. There was an issue with the Lloyds bank sort code and so initial funding has gone into the Natwest account.
- 4) Due to the very late signing of the funding agreement there was insufficient time to set up payroll for Langham Oaks Staff. Thriftwood LGB have agreed to allow payment of these from the Thriftwood bank account for the month of April only. ECC Payroll now have the information they need from Lloyds, and are awaiting confirmation from Langham Oaks of the PAYE reference number (applied for in March) and that the bac's bureau connection has been tested and verified.
- 5) Current funds available to the Trust are:
 - Thriftwood Lloyds account - £56,847
 - Thriftwood Natwest accounts - £666,700.39
 - Langham Oaks Lloyds Account - £0
- 6) Langham Oaks are in the process of writing their interim budget for April to September 2015. It does not appear that they need to lodge this with EFA. However they will need to submit the 2015/16 budget by 31st July 2015, as will Thriftwood. The MAT can decide whether there should be one submission for each school, or a single submission for the Trust.
- 7) There are sufficient funds available to allow a transfer of £56,847 into the Langham Oaks account. This is their April budget share. However they must be aware that they will need to refund most of this to Thriftwood School who will be covering their April payroll costs. I request agreement to issue a cheque from the Lloyds account to Langham for £56,847.
- 8) We will be receiving top up Funding for Langham Oaks for the month of April – as yet I am unaware of the figure. Once known, I request agreement to issue a cheque to them for that amount.
- 9) We will be receiving £10,019.75 from EFA for Pupil Premium for Langham Oaks. I request agreement to raise a cheque from our Natwest account to them for that amount.
- 10) I request agreement to write a cheque from our Natwest Account to our Lloyds account for £550,000. This will leave sufficient funds to clear outstanding commitments and to leave a buffer for any emergencies. I will request a balance transfer when we finally close the Natwest Account at the end of May.

- 11) I am endeavouring to contact HMRC re MAT submission of VAT refund requests – they are not answering their phones at present. The first consolidated return will be due after 1st May
- 12) I have registered SEAX Trust with the Information Commissioners Office for Data Protection. This is a new registration. Thriftwood will need to cancel their current registration once the certificate has been issued for the Trust. Both schools will be included in this new registration.