



**ABRIDGED MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON
WEDNESDAY 24 OCTOBER 2018 AT THE DIGITAL MEDIA CENTRE, BARNSELEY,
COMMENCING
AT 4.00PM**

Present: Molly Beever
Colin Booth
Stewart Harper
Cheryl Hobson
Yiannis Kouris
Hearl Lenton (Chair)
Mark Wilson, CEO

In attendance: Karen Froggatt, Chief Governance Officer and Company Secretary
Josh Greaves, Chief Operating Officer
Mark Wood, Chief Finance Officer

The Clerk reported that Mark Townley had tendered his resignation from the Board. The Board recorded its appreciation of Mark's service to the Trust and asked that Board members' best wishes be conveyed to Mark.

18/19.01 Appointment of Chair for 2018/19

The Clerk reported that only Hearl Lenton had expressed interest in being appointed as Chair of the Board. It was agreed that Hearl be reappointed as Chair for the 2018/19 academic year.

18/19.02 Appointment of Vice-Chair for 2018/19

The Chair reported that only Cheryl Hobson had expressed interest in being appointed as Vice-Chair of the Board. It was agreed that Cheryl be appointed as Vice-Chair for the 2018/19 academic year.

18/19.03 Apologies for absence

The Board noted that apologies for absence had been received from Gordon Beever (holiday), Neil Clephan (holiday arranged before his appointment to the Board) and Richard Owen (work commitment).

The Chair referred to concern having been raised by the Trust's Members regarding the number of Directors who were absent from the last Board meeting. He highlighted the increased importance of Directors making every effort to attend meetings given the reduced size of the Board and the Board Scrutiny Committees.

It was agreed that the Clerk would communicate this to those Directors who were absent from the meeting.

ACTION – Clerk to communicate with Directors regarding the matter.

- 18/19.04 **Declarations of interest in any matters**
- No interests were declared other than those disclosed on an ongoing basis. Members of the Board reserved the right to declare interests at any time during the meeting.
- 18/19.05 a **Minutes of meeting held on 18 July 2018**
- The Minutes of the meeting held on 18 July 2018 were considered.
- RESOLVED** – that the Minutes of the meeting be signed as a correct record.
- b **Matters arising**
- i **Summary as reported by CGO**
- The Board received and noted an update regarding matters arising from previous Board meetings.
- In response to a query regarding the development of a ‘dashboard of dashboards’ the CEO reported that the work being undertaken by the Chief Information Officer was nearing completion, further to which an update would be provided at the next meeting.
- ACTION** – CIO to provide an update to the next meeting regarding developments regarding data capture and reporting.
- ii **Other matters arising (if any)**
- There were no other matters arising on this occasion.

BOARD COMMITTEE MATTERS

- 18/19.06 **Audit Committee**
- a **Minutes of Audit Committee meeting held on 16 October 2018**
- Stewart Harper (given Mark Townley’s resignation) provided details of matters discussed at the recent meeting, including reference to discussion regarding more detailed reporting of any data breaches and discussion regarding related party transactions, which it was noted were minimal within the Trust.
- It was noted that key matters discussed by the Committee were on the agenda of the Board meeting.
- 18/19.07 **FRR Committee**
- a **Minutes of FRR Committee meeting held on 17 October 2018**
- Cheryl Hobson, who had chaired the FRR Committee meeting, provided details of matters discussed at the meeting, including reference to the Trust’s prudent approach to financial projections and a request that reports be provided annually to the Committee, providing sensitivity analysis regarding the Trust’s financial projections
- Reference was also made to the Committee’s discussion regarding the requirement for the Trust’s monthly Management Accounts to be circulated to the Trust Chair monthly in future. It was noted that members of the FRR Committee had asked to also receive these, further to which discussion took

place regarding the possibility of circulating the accounts to all Directors. It was agreed that the accounts would be circulated to all Directors in future.

ACTION – Management Accounts to be circulated monthly to all Directors, rather than just to the Chair of the Board.

It was noted that key matters discussed by the Committee were on the agenda of the Board meeting.

REPORTS

18/19.08 a **CEO's Report**

The Board considered the CEO's Report, which included reference to the following:

- Further to the Board having agreed to the sponsorship of Bramley Primary School, plans being in place for the school to join the Trust on 1 November 2018 under the new name of Bramley Park Academy. It was noted that Carrie Green, Executive Principal, would lead the school and that it would be the first Academy to operate under Scheme of Delegation 3.
- Further to the Board having agreed to Lacey Gardens and Eastfield Primary Schools joining the Trust, plans being in place for the schools to convert on 1 November 2018. It was noted that Chris Jessup, Executive Principal, would continue to lead the schools, as he had done during the transitional period.
- Ongoing dialogue with the three special schools which the Board had approved the conversion of at a future stage. It was noted that the proposed conversions would be considered by the relevant Headteacher Board at its next meeting.
- The positive media coverage being generated by Elements Primary Academy, including a visit by Hillary Been MP in the near future.
- An appendix outlining the performance of each Academy compared to a range of key performance indicators. The CEO drew specific attention to ongoing improvements at Oakhill and Oakwell Rise Academies, the anticipated Ofsted rating moving into Good at Ebor Gardens Academy and Springwell Leeds Academy (the latter being a significant achievement for the Trust and the Local Authority given the background of the former schools from which Springwell Leeds was created), the anticipated Ofsted rating at Joseph Norton moving into Outstanding, a recent peer review at Victoria Academy demonstrating a strengthening position, significant improvement in attendance levels at Beacon Academy and the ongoing focus on finances at Springwell Learning Community, Springwell Leeds, Springwell Lincoln and Greenacre.

The CEO responded to questions regarding the factors contributing to the improvements in the anticipated Ofsted ratings outlined.

- A range of appendices outlining Key Stage 2 and Key Stage 4 performance data, Primary Standards 2017/18 data and year 11 end of year attainment outcomes. The CEO highlighted key elements of the reports. The CEO reported that the Academies' data had been shared with the East

Midlands & the Humber Regional Schools Commissioner at a recent meeting.

- Detailed ongoing dialogue between WAT and Local Authorities regarding funding of pupils from the High Needs Block.
- An appendix depicting the 'Wellspring System', outlining the range of interactions and accountabilities. The CEO elaborated on the role of the peer-led Academy Development Groups (ADGs) and Strategy Groups.
- An update regarding the four Springwell Lincolnshire Alternative Free Schools which were scheduled to open between April and September 2019.
- The reorganisation of Finance and Estates management having been completed. It was noted that an additional office had been acquired on the 3rd floor to provide more space to accommodate Support Centre colleagues.
- The Wellspring Assurance Framework (WAF). The CEO reported that the reviews would commence shortly, with the process having been refined to reflect feedback from governing bodies and Academy leaders. It was noted that copies of WAF reports would be submitted to the Audit Committee for consideration.
- Positive talks continuing with key partner organisations within the region regarding shared sector/market reach, increased value for money through joint procurement, the potential to realise other economies of scale, expertise sharing, school improvement capability and system influence.

b Trust Bench-marking Report

The Board considered a paper which set out a summary of key findings following analysis of a benchmarking report produced by Kreston UK and information contained within the ESFA's Financial Benchmarking website.

The difficulty in bench-marking some data due to the profile of Wellspring's Academies was noted, by comparison with the majority of other Trusts, ie, being made up of primary and/or secondary Academies.

It was noted that 55% of Trusts had an in-year deficit before depreciation for year-ended 31 August 2017. With regard to reserves, it was noted that the national position showed an average Trust reserve of £791,000 as at August 2017, compared to Wellspring having reserves of c£2.7m at that point.

It was noted that more detailed information regarding all Academies would be published by the DfE in late Autumn and that this would be submitted to the Board when available.

ACTION – DfE bench-marking data to be provided to the Board when available.

MANAGEMENT ACCOUNTS / BUDGET MONITORING / OTHER FINANCIAL MATTERS

18/19.09 a Consolidated Trust budget 2018/19

The Board considered an updated consolidated financial position for the Trust, taking into account changes made to the Support Centre budget.

The CFO referred to highlights from a detailed report regarding the management accounts / budget monitoring for the Trust overall, the Support Centre and Academies. An increase in the forecast in-year deficit was noted, as were details of the factors contributing to this.

Reference was made to the prudent approach taken to the Trust's financial projections, as referred to in reference to discussion which had taken place at the FRR Committee meeting (Minute 18/19.07a).

It was noted that updated Academy budgets would be submitted to the next Board meeting. The CFO and COO provided a detailed update regarding dialogue taking place with Local Authorities regarding High Needs Funding re Springwell Learning Community, Springwell Lincolnshire, Greenacre and Springwell Leeds and efforts already made by the Academies to reduce expenditure. With regard to High Needs Funding, it was noted that this was a national issue and that Local Authorities needed to take a holistic view of the situation, including the costs associated with children and young people being educated outside their own borough. Discussion took place regarding the limited amount of meaningful data available regarding this issue.

In response to a question the CFO indicated that it was hoped that there would be clarity regarding High Needs Funding by the end of the calendar year.

ACTION – Updated Academy budgets to be submitted to the next meeting.

b Revised Support Centre budget for 2018/19

The Board received and noted the revised Support Centre budget for 2018/19.

The Board noted a loss of income from ceasing to provide Horizon Academy with HR services, as a result of a member of the Wellspring Team leaving to join Horizon. A suggestion was made that the contracts with those receiving managed services from the Trust could in future refer to the recruitment of those Wellspring employees providing the managed service incurring a charge.

The Board also noted details of balances regarding loans to Academies from Trust reserves, the budget relating to Positive Regard Teaching School and the budget for Mindspace. The Board welcomed the news that Mindspace had secured funding beyond 2019/20 and noted that three year statistics would be included in future budget projections.

c Changes to Teachers' pay and conditions

The Board considered a paper outlining changes to teachers' pay and conditions, with reference to:

- a 3.5% uplift to the main pay range and unqualified pay range
- a 2% uplift to the upper pay range, leading pay range and all allowances across all pay ranges
- a 1.5% uplift to the leadership pay ranges.

Details of the revised salaries proposed from 1 September 2018 were noted. It was proposed that these be applied in November, backdated to 1 September.

It was noted that Academies had budgeted for a 2% uplift in teachers' pay within their original approved budgets, however the DfE had agreed to provide additional funding through a Teachers' Pay Grant to mitigate any costs over and above a 1% uplift, hence the Academies would have a slightly improved budgetary position.

Further to a proposal it was agreed that Wellspring follow the Joint Union advice in relation to applying the uplifts across individual scale points within the relevant pay ranges.

RESOLVED – The proposed pay increases were approved by the Board.

d **Approval of WAT Financial Regulations**

The CFO referred to minor changes to the Financial Regulations which had been proposed by the Audit Committee. The Board approved the draft Financial Regulations.

RESOLVED – The 2018 Wellspring Financial Regulations were adopted.

e **Further analysis of staff pay scales in Academies**

The Board considered further details which were provided regarding staff pay scales in each Academy, broken down by pay grade. It was agreed that the analysis provided insight for both management and the Board.

Observations were made regarding the width of pay scales. In response to a question the CEO confirmed that all staff are subject to a performance review process.

Discussion took place regarding the possible introduction of a strategy of limiting the differential between staff on upper versus lower pay scales.

The following was agreed:

- that similar analysis should be provided to the FRR Committee and Board annually
- that the analysis of pay scales was an appropriate matter for Governing Bodies to consider at an appropriate time.

ACTION – the above outcomes to be captured for future action.

Cont'd

STRATEGIC PLANNING

18/19.10 The Board considered a detailed report from the CEO regarding each of the objectives set in the 2017-2020 Three Year Plan. It was noted that the level of detail provided had reflected on comments made in the audit of strategic planning undertaken by RSM earlier in the year.

The CEO reported that the report had been shared at a recent meeting with the East Midlands & The Humber Regional Schools Commissioner.

The Board welcomed the information provided, which it was noted would be shared with Local Governing Bodies.

AUDIT & RISK / GDPR

18/19.11 a **Strategic & Operational Risk Registers**

The Board received and noted the latest Risk Registers, which had been considered at the last meeting of the Audit Committee. It was noted that these reflected the financial pressures experienced by some Academies relating to High Needs Funding and the impact in the delay in the free school new-builds in Lincolnshire.

b **GDPR Strategy Group**

The Board received and noted a paper relating to the formation of a GDPR Strategy Group. In response to a question posed in the report (and discussed at the last Audit Committee meeting) it was agreed that the Board did not consider it necessary to appoint a representative to join the group.

Reflecting on the paper it was noted that the CIO was legally (and independently) responsible to the Information Commissioner's Office (ICO) in respect of his role as Data Protection Officer.

GOVERNANCE MATTERS

18/19.12 a **Appointments**

i **Appointment of Directors to Board Scrutiny Committees & appointment of Chairs**

(a) The Board agreed to appoint the following Chairs of Scrutiny Committees for 2018/19:

Audit Committee – Stewart Harper

FRR Committee – Cheryl Hobson

Standards Committee – Neil Clephan (subject to his agreement).

(b) Discussion took place regarding the appointment of Directors to Board Committees.

Noting the reduced size of the Board it was agreed that the Governance Committee would cease to operate as a formal committee with immediate effect and that meetings of a working group comprising of the current Committee's members (Molly Beever, Stewart Harper, Hearl Lenton and Mark Wilson) be convened as and when required.

It was agreed that the group would have no decision-making responsibility and would submit proposals to the Board for approval/consideration.

With regard to the other three scrutiny committees, it was agreed that each Director was expected to serve on at least one of the committees in normal circumstances.

The following Director appointments to the Committees were agreed:

Audit Committee – Stewart Harper and Cheryl Hobson

FRR Committee – Cheryl Hobson, Yiannis Kouris, Gordon Beever, Richard Owen and Mark Wilson (with Hearl Lenton attending in an ex-officio capacity for specific meetings)

Standards Committee – Neil Clephan, Molly Beever and Mark Wilson.

It was noted that some committees particularly needed additional members – both from the Board and in a co-opted capacity. It was noted that efforts were being made to address this. Stewart Harper and Hearl Lenton agreed to attend Standards Committee meetings in the interim if required.

In response to a question regarding former Directors potentially sitting on these Committees, the CEO reported that during discussions with the DfE regarding changes in the Board's composition this had been considered to present a potential conflict of interest.

ACTION - the following was agreed:

- that Committee compositions be reviewed when additional Directors are appointed to the Trust Board
- that the scheduling of Committee meetings could be reviewed if it would assist members in attending
- that the Terms of Reference for the three Committees be reviewed, in order to re-consider their expected size where appropriate, though retaining a requirement for at least three Directors to sit on each Committee.

ii **Appointment of co-optee to Audit and FRR Committees**

The Board agreed to appoint Sophie Speight as a co-optee to both the Audit and FRR Scrutiny Committees.

RESOLVED – To appoint Sophie Speight as a co-opted member of the Audit and Finance, Resources & Remuneration Committees.

b **Appointment of Safeguarding and SEND Directors**

It was agreed to defer this matter to the next meeting.

ACTION – deferred to next meeting.

c **Keeping Children Safe in Education / Prevent Guidance**

It was noted that the Clerk would communicate with Directors by separate cover regarding the requirement for confirmation of their understanding of the revised Keeping Children Safe in Education guidance and a re-confirmation regarding Directors' understanding of the Prevent Guidance.

ACTION – Clerk to pursue with Directors accordingly.

d **Register of Interests / Changes in Charity Trustee eligibility**

It was noted that the Clerk would communicate with Directors by separate cover regarding these matters.

ACTION – Clerk to pursue with Directors accordingly.

e **Board Skills and Effectiveness Audits / Governance Development Plan**

It was noted that arrangements regarding the Board's skills and effectiveness reviews, feeding into a Governance Development Plan, would be carried forward given recent changes to the Board's composition.

ACTION – Carried forward to next meeting.

OTHER MATTERS

18/19.13 Any other business

a **ESFA letter to Accounting Officers**

The Committee received and noted a letter to Accounting Officers dated 18 September 2018 from Eileen Milner, Chief Executive of the ESFA. It was noted that the letter had been considered by both the Audit and FRR Committees.

b **Any referrals from LGBs**

There were none on this occasion.

c **Board appointee to CIC Board**

It was noted that since Michael Sanderson's appointment to the Board of the Spring Ahead Community Interest Company, Michael had left the Wellspring Board. It was agreed that Michael should continue in his role within the CIC, which it was agreed wasn't impacted by him no longer being a Director of the Trust.

Discussion took place regarding the CIC, which it was noted was an independent entity. It was agreed that an update regarding the accounting treatment of Trust subsidiaries should be reported to a future meeting.

ACTION – report to be provided to the Board at a future meeting.

d **Any other business**

None on this occasion.

18/19.14 Meeting arrangements

It was confirmed that the next Board meeting would be held on Tuesday 11 December 2018, commencing at 4.00pm.

The meeting closed at 6.35pm.