

## DULWICH HAMLET EDUCATIONAL TRUST (DHET)

### Meeting of the BOARD OF TRUSTEES

Date: Thursday, 6 December 2018

Time: 18.30

Location: Dulwich Hamlet Junior School, Dulwich Village, SE21 7AL

### MINUTES

<b>Present:</b>	Crispin Tuckley	Chair	Chair
	Sonia Case	Executive Head Teacher	EHT
	Simon Latham	Trustee	SL
	Patricia Leahy	Trustee	PL
	Rafael Marks	Trustee	RM
	Christopher Parsons	Trustee	CP
	Karen Robinson	Trustee	KR
	Rebecca Tee	Trustee	RT
<b>Clerk:</b>	Kathleen Formosa		Clerk

#### 1. Welcome & Apologies

- 1.1 The Chair opened the business of the meeting at 18.33, welcoming the members of the Board and others in attendance.
  - 1.1.1 The Chair stated that a confidential matter would be dealt with by the Trustees in the absence of EHT as a matter of other business at the end of the meeting.
- 1.2 It was **noted** that all Trustees were present.
- 1.3 A quorum was **confirmed** and the meeting proceeded to business accordingly.

#### 2. Declarations of Interest

- 2.1 RT declared as an interest that her daughter is currently on paid work experience at Belham Primary School ("BPS"). She stated that she would withdraw from related decisions where required regarding staffing at BPS or across the Trust.
  - 2.1.1 There were no other interests declared.

#### 3. Minutes of the Previous Meeting

- 3.1 The minutes of the DHET meeting of 11 October 2018 (**Paper 1**) were agreed, subject to amendments to wording at items 8.1.8 and 8.3.4-8.3.5.

**ACTION: Clerk to amend and recirculate the minutes.**

#### 4. Matters Arising from the Minutes of the Previous Meeting

- 4.1 Matters arising from the minutes of the previous meeting (**Paper 2**) were **noted**.
- 4.2 Those matters not reported as actioned or otherwise addressed on the agenda were **discussed** as follows:
  - Regarding item 5.2.1, it was **noted** that the action was complete, as the DfE training materials have now been circulated.
  - Regarding item 6.5.1, it was **confirmed** that the DHJS health and safety policy has been updated.
  - Regarding item 7.5.4, the Chair reported that monthly management accounts are now being produced and that he will be meeting monthly with EHT to discuss any budgeting or other financial issues arising in accordance with the new ESFA requirements.

## 5. Chair's Report

- 5.1 The Chair reported that a meeting has been held recently with the LGB Chairs to discuss governor recruitment and other issues of common interest. Outcomes from the meeting would be dealt with substantially as a matter of business under governance and trust matters on the agenda.

## 6. Executive Head Teacher's Report

- 6.1 It was **noted** that the EHT's report (**Paper 3**) would be dealt with under item 9 on agenda.

## 7. DHET Audit 2017/18

- 7.1 The auditor's report (i.e., "letter of comment") (**Paper 4**) was **reviewed**.
- 7.1.1 CP reported that the auditors had flagged two high priority matters on the initial list in the letter of comment. These have now been removed as the issues raised have been dealt with and resolved.
- 7.1.2 CP reported that the overall audit was much smoother than the previous two years. He thanked the school business managers, EHT and all others involved in the audit for their timely production of the information requested by the auditors.
- 7.1.3 CP reported that there was nothing to report to the ESFA as a result of the audit.
- 7.1.4 A draft management response to the letter of comment was circulated at the table. Trustees were invited to give their feedback, and it was requested that CP receive this by Monday so that a response could be sent back to the auditors by the following week.

**ACTION: Trustees to review the management response to the letter of comment and provide feedback no later than 10 December 2018; CP to send the management response to the auditors no later than 14 December 2018.**

- 7.1.5 It was **noted** that most issues raised in the letter of comment were about tightening procedures already in place. It was **noted** that some issues have been repeated from the previous year. CP stated that this was a separate matter that would be dealt with via the Audit Committee.
- 7.1.6 CP thanked the members of the Audit Committee for seeing through a successful audit this year.
- 7.2 The letter of representation (**Paper 5**) was **noted**.
- 7.2.1 It was **agreed** that the letter of representation would be signed by the Chair on behalf of the Trustees.

**ACTION: Chair to sign the letter of representation on behalf of the Trustees.**

- 7.3 The guide to the statutory accounts (**Paper 6**) provided by the auditors was **noted**.
- 7.4 The Trustees' Report and Financial Statements (**Paper 7**) were **reviewed**.
- 7.4.1 Questions around the development and use of the Trustees' Report to better articulate the Trust's vision and values were **discussed**.
- 7.4.2 CP reported that the Trustees have followed the standard template for trustees' reports provided by the auditors. However, it was **acknowledged** that there is scope for the Trustees' Report to be enhanced with additional information. It was **noted** that some of the narrative included in the report is statutory.
- 7.4.3 It was **discussed** that as EHT and the Trust develop the strategy document, some of the information from this could be used to enhance the Trustees' Report in future. It was **agreed** that enhancements to the Trustees' Report should not create a lot of extra work for EHT, who is charged with drafting the report.

- 7.4.4 It was **noted** that drafting the Trustees' Report normally begins in October. Trustees were encouraged to communicate to EHT and Audit Committee any specific matters they would wish to see highlighted in future reports in the early autumn cycle of meetings.
- 7.4.5 A question was raised about the level of reserves in the schools and whether the information provided in the Trustees' Report was consistent with information presented to the Trustees earlier in the year.
- 7.4.5 CP reported that the reserves were larger than expected at Dulwich Hamlet Junior School ("DHJS"), and that BPS also finished the year with a smaller in-year deficit than anticipated, leading to a better overall reserves position for the Trust.
- 7.4.6 A question was raised regarding the reported staff numbers, particularly in comparison with last year. In particular, clarification was sought on the staff who were classified as management, as it was **noted** that staff in this category had expanded from four to eight over the two-year period.
- 7.4.7 EHT stated her assumption that any staff who are on the leadership pay spine would be counted as management, whether or not their duties included teaching. It was **noted** that the number of teachers has remained consistent over the two-year period.
- 7.4.8 It was **discussed** whether the staff numbers as presented may give the wrong impression that DHET has doubled the number of its management staff in one year. Conversely, it was **discussed** that the numbers as presented may communicate the reality that DHET has two growing schools and is enhancing its management structures accordingly.
- ACTION: EHT to ask auditors to confirm how they have counted staff and who is included in management and report back.**
- 7.4.9 The Trustees' Report and Financial Statements were **agreed for signature**.  
**ACTION: Chair and EHT to sign the Trustees' Report and Financial Statements.**
- 7.5 The draft minutes of the 27 November 2018 meeting of the Audit Committee (**Paper 8**) were **taken as read**.
- 7.5.1 CP reported that the auditors drew the Audit Committee's attention to what the auditors believed to be related-party transactions. These were payments to a local governor at one of the schools who was also being paid by the school as a consultant.
- 7.5.2 CP reported that the auditors initially thought the Trust was in breach of the rules around related-party transactions, but it was subsequently found that the Trust was not in breach because:
- a) the payments had been disclosed by the local governor in her declaration of interests; and
  - b) as a local governor and not a Trustee the individual had no control or interest in the affairs of the Trust.
- 7.5.3 It was also **noted** that the governor had been a consultant before she became a governor and carried on with the same work. There could therefore be no suggestion she received the work because she was a governor.
- 7.5.4 CP reported that the Audit Committee has discussed and agreed that LGBs will be advised to avoid situations that may give rise to perceived conflicts of interest in future. It has been proposed that the governance plan is amended to specify that LGBs should not co-opt as a governor anyone who is employed by or otherwise on contract with the Trust through its schools.
- 7.5.5 CP reported that the Audit Committee also discussed the separation of the Trust's finance and HR functions between the two individuals having trust-wide remits in these areas. Both staff will report directly to EHT but will be based in different schools. Regular meetings between the two staff members will be encouraged.

## 8. Trust Finance

- 8.1 It was **noted** that the papers on the current budget position and the three-year plan (**Papers 9 and 10**) were not available as work continues on these. EHT provided a verbal update on her recent meeting with Barry Walder covering these topics.
- 8.1.1 The Chair reported that budget monitoring reports for the schools are now complete and these will be circulated to the LGBs.
- 8.1.2 It was **noted** that the up-dated three-year plan would be available in January and would be reviewed and discussed at the next meeting. Anticipated financial constraints within the three-year period would also be reviewed.
- 8.1.3 The Chair reported that the schools' finances are looking healthier overall. DHJS moved from anticipating a small deficit in 2017/18 to anticipating a small end-of-year surplus. BPS planned an in-year deficit of £80K, with £50K to be used from reserves for building works.
- 8.2 The review of the Trust's monthly management accounts was **discussed**.
- 8.2.1 EHT stated that parity of coding across the schools is needed to ensure that income and expenditure between the schools can be accurately compared.
- 8.2.2 The question of whether the LGBs should also be given the management accounts was **discussed**. It was **acknowledged** that the management accounts do not differ substantially from the schools' budget monitoring reports, although the narrative included with management accounts at certain times of the year may be helpful to LGBs in the review of their budget monitoring reports. It was stated that sharing relevant narrative information from the management accounts would be considered.
- 8.2.3 It was **noted** that the Trustees are required to review the management accounts for the Trust, but there is no such requirement for LGBs.
- 8.2.4 Various risks to the schools' finances were **discussed**. It was **acknowledged** that a significant financial risk is the anticipated increase in the employer's contribution to the teachers pension schemes. It was stated that if the increase is unfunded, the reserves the schools have built could be exhausted quickly.
- 8.2.5 It was also **noted** as a risk that per pupil funding has been decreasing every year in real terms, and thus the schools are routinely having to make do with less.
- 8.3 It was reported that risk management was discussed briefly at the recent meeting of the Audit Committee. CP will attend the LGB meetings in December/January, seeking input from local governors on the risk register and feedback on how particular risks manifest and are dealt with in the schools.
- 8.3.1 EHT stated that most risks for the schools will be risks around health and safety and safeguarding, and risks associated with curriculum and teaching. It was **noted** that these risks were proactively managed.
- 8.3.2 It was **discussed** that financial, strategic and reputational risks are relevant to the LGBs, but are more appropriately managed at trust level.
- 8.3.3 It was **discussed** and **agreed** that local governors should be given an indication of what is meant by risk management, as many may not have been exposed to risk management and the vocabulary around this at a professional level. Local governors may also need to know that it is not that the schools are suddenly at additional risk, just that the Trust is ensuring that adequate plans and policies are in place and coordinated via the risk register and risk management process. Trustees have a responsibility to stakeholders to ensure the Trust's long-term health including ensuring that risks are managed and mitigated.
- ACTION: CP to report back at the next meeting regarding his experience of and feedback from his discussions with the LGBs.**

## 9. Governance & Trust Matters

- 9.1 The record of the discussion at the 16 November 2018 strategy day (**Paper 11**) was **noted**.

- 9.1.1 It was **discussed** and **agreed** that the strategy day should be a regular event, with the next one proposed to build upon the emerging Trust strategic plan.
- 9.1.2 Approaches to synthesising outcomes from the strategy day were **discussed**. The following were **agreed** as next steps:
- Delegates attending the strategy day should be thanked for their efforts;
  - The record of discussion should be circulated to all delegates with an invitation for feedback; and
  - A date for a future strategy session should be proposed.
- ACTION: Chair to take responsibility for communicating with all delegates as agreed, and for circulating information.**
- 9.2 EHT's draft strategy paper (**Paper 3**) was **taken as read**. It was **noted** that the paper was built upon the positive outcomes from the strategy day.
- 9.2.1 EHT reported that staff have provided positive feedback on the strategy day. The Trustees confirmed their views that the session was very positive and that this has been echoed on the two LGBs.
- 9.2.2 EHT stated that the challenge for her in developing the strategy paper is defining the Trust's mission versus its vision. Regarding the vision, EHT stated that this should be a clear statement about the Trust's real commitments, the foundation of which is the commitment to teaching excellence and support for engaged teachers.
- 9.2.3 The intended audience for the strategy document was **discussed**. It was **agreed** that the intended audience should be primarily external to the Trust. The document should thus be written in such a way that it would be useful in approaching potential partners and stakeholders.
- 9.2.4 It was **agreed** that the document should also be useful to an internal audience to reinforce the Trust's values and priorities. The school development plans in each school should thus be linked with the strategy document.
- 9.2.5 Details of the strategy document were **discussed**. The Trustees **confirmed** their support for the approach advanced in the document and for the labels of "brave curriculum" and "brave teaching," which focus on nurturing and support for pupils and a means of achieving good pupil outcomes.
- 9.2.6 It was **discussed** and **agreed** that as the year has been a period of consolidation for the Trust, approaching the year ahead with a message of "brave leadership" is a very positive move, and signals to the external audience that the Trust will be thoughtful and deliberate about its next steps.
- 9.2.7 Developing the next draft of the strategy paper was **discussed**. It was stated that the document is strong on mission and vision, but that there needs to be increased focus on SWOT analysis and KPIs for the next three to five years in order for the paper to set out a clear and executable strategy. It was **agreed** that KPIs and outcomes should be ambitious and focus on the ways the Trust will expand its offer.
- ACTION: Trustees to send further thoughts and detailed feedback on the strategy paper to EHT.**
- 9.2.8 It was **noted** that the schools' development plans are currently being finalised and that the LGBs will review these in the near term. It was **agreed** that the schools' development plans should be used to inform the strategic plan.
- 9.3 Upcoming vacancies and recommendations for trustee and governor recruitment (**Paper 12**) were **reviewed**.
- 9.3.1 It was **noted** that with PL's departure, there would also need to be a Trustee appointed to the Audit Committee.
- 9.3.2 The following recommendations were **agreed**:
- Two new Trustees shall be appointed in 2019 to replace PL and RM, who will be stepping down;

- Trustees coming up to the point of their term expiry shall be reappointed if they are willing to continue;
  - EHT shall continue as an ex-officio Trustee as long as she remains willing to accept the additional duties and responsibilities; and
  - The Board shall be expanded to 9 Trustees over the course of the year, if the right individuals can be found.
- 9.3.3 It was **discussed** and **agreed** that a proposal would be put to the Members to expand their number from three to five over the course of the year, if the right individuals could be found.  
**ACTION: Chair to put the proposal to expand the number of Members from three to five to the Members for approval.**
- 9.3.4 Various approaches to the recruitment of new Trustees and Members were **discussed**. The Chair stated that these approaches would be discussed with the Members, and any guidance, recommendations or restrictions reported back.
- 9.4 It was proposed that a group of Trustees is designated to form a Pay and Personnel Committee. The remit of the Pay and Personnel Committee would be to provide oversight and support of the EHT in the consideration of any relevant pay and/or personnel matters arising. It was stated that the committee would meet regularly once each term, and on an *ad hoc* basis as needed.
- 9.4.1 The constitution of a Pay and Personnel Committee was **agreed**. It was **agreed** that EHT, the Chair, KR and SL (as chairs of the LGBs) would form the committee.  
**ACTION: Chair to draft terms of reference for the Pay and Personnel Committee and circulate these for comment.**
- 9.5 Feedback from the MAT review meeting (**Paper 13**) was **noted**.
- 9.6 A report on premises matters at BPS (**Paper 14**) was **reviewed**. It was **noted** that the report included input from Southwark legal department regarding the lease arrangements on the BPS building.
- 9.6.1 EHT reported that the fundamental issue underpinning the several issues set out in the report is an ongoing dispute between ESFA and Southwark.
- 9.6.2 It was reported that the building contract is expected to be novated to DHET at the end of the warranty period. It was **agreed** that DHET should instruct its lawyers to deal with the novation of the contract and any associated matters arising.  
**ACTION: EHT to initiate discussions with lawyers Stone King to deal with the novation of contract for the BPS building.**
- 9.6.3 It was **noted** that the caretaker's house would not form a part of DHET's lease for the BPS building and would remain the responsibility of the local authority.
- 10. Reports of the Local Governing Bodies**
- 10.1 The BPS LGB minutes (**Paper 15**) were **taken as read**.
- 10.1.1 SL stated that he was reassured by the discipline demonstrated by LGB at its recent meeting in focusing its discussion of the recent Ofsted review on strategic matters, and in not getting involved in the detail of specific issues raised in the Ofsted report.
- 10.1.2 It was requested that DHET Trustees are added to the circulation list for the Belham Buzz so that they are kept informed of issues and developments at the school.  
**ACTION: SL to ensure DHET Trustees are added to the circulation list for the Belham Buzz.**
- 10.2 SL reported that the BPS LGB has been seeking to expand the number of local governors and to replace RT, who has recently stepped down as a governor.

- 10.2.1 SL asked the Trustees to ratify the appointment of two new governors proposed for appointment to the BPS LGB, i.e.:
- Saba Shafi; and
  - Tim Hallan.
- 10.2.2 The background and experience of each of the proposed governors were **reviewed**. It was **noted** that both are local to the area of the school.
- 10.2.3 The appointments of Saba Shafi and Tim Hallan as governors of BPS were **ratified** by the Trustees.
- 10.2.4 The election of a new parent governor to the BPS LGB – Dominic McNeill – was **noted**. His background and experience were briefly reviewed.
- 10.3 SL sought the advice of the DHET Trustees on a governor appointment issue arising on the BPS LGB.
- 10.3.1 SL reported that the BPS LGB currently includes a teacher who was appointed as a co-opted governor. Her term expires at the end of the academic year. She has expressed a willingness to continue as a member of the LGB. However, the appointment of a teacher as a co-opted governor has led to teaching staff governor elections being postponed so that the LGB did not have a disproportionate number of staff on it.
- 10.3.2 It was **noted** that best practice advice is that the only member of staff who should be appointed as a member of the LGB is the Head of School. Other members of staff should be appointed only by election.
- 10.3.3 It was proposed and **agreed** that the DHET governance plan is amended to reflect the acceptance of best practice advice and to state clearly that staff are not co-opted onto LGBs except in exceptional circumstances.
- ACTION: Chair to amend the DHET governance plan.**
- 10.4 The DHJS LGB minutes (**Paper 16**) were **taken as read**.
- 10.4.1 KR reported that four parents have put themselves forward for the parent governor election. Voting will close next week.
- 10.4.2 KR reported that Bridget Jackson's term of office on the LGB has ended. She will be proposed for reappointment at the next meeting of the LGB, although she has notified the LGB that she may not serve a full term.
- 10.4.3 The Trustees **agreed** in principle to ratify the reappointment of Bridget Jackson to the DHJS LGB, subject to the agreement of the LGB to reappoint her at its next meeting.

## **11. Items for Review**

- 11.1 It was **noted** that the following policies had been updated and recirculated since the last meeting of the Trustees:
- Pay Policies (**Papers 18 and 18a**);
  - Appraisal Policy for Non-Teaching Support Staff (**Paper 19**); and
  - Governor Visits Policy (**Paper 20**).
- 11.1.1 SL asked whether teachers had been consulted on the Governor Visits Policy. He reported that comments had been noted at the BPS LGB that the policy should add value for teachers.
- 11.1.2 EHT stated that there is more work to be done on the Governor Visits Policy to ensure that the policy is helping governors to add value to their schools, but that immediate concerns had been addressed.
- 11.1.3 It was suggested and **discussed** that it may be useful for Trustees who are not also LGB governors to be invited into the schools for events, and to speak to leadership and staff.

**ACTION: EHT to ask the Heads of School to consider appropriate opportunities for Trustee visits and report back.**

11.1.4 It was **noted** that the Scheme of Delegation had been updated and agreed by circulation.

**12. Safeguarding**

12.1 EHT stated that there were no safeguarding matters requiring the attention of the Trustees.

**13. Any Other Business**

13.1 It was **noted** that PL would be stepping down from her role as a DHET Trustee following the meeting. The Chair thanked PL on behalf of the Trustees for her service and support for the Trust over the last four years.

13.2 EHT was excused from the meeting at 21:09.

13.3 *This section of the minutes has been removed to Confidential Annex A.*

The business of the meeting concluded at 21:14.

**Date of the Next Meeting - Thursday, 7 March 2019** at 18:30 at the Belham Primary School.

*KF/kf: 02/01/2019*