

## MINUTES of the BOARD MEETING

21 November 2024, 10 a.m. at Tolvaddon

Item	Subject	Action
	<p><b>Trustees present:</b> V = virtual            Matt Brierley (MB) V            Robin Cowen (RC) V            Rob Gasson (RG) V <i>items 1- 2.7 only</i>            Karen Harris (KH) V            Mike Hosking (MH) <i>item 2.3 onwards</i>            Nick Lake (NL) <i>Chaired</i>            Deborah Richards (DR) V            Peter Sheppard (PS) V <i>items 1- 2.7 only</i></p> <p><i>Also present:</i>            Jem Alder (JA) – Trust Governance Lead V            Simon Hague (SE) – CEO            Rachel Jewell (RJ) – Strategic Planning            Tamsin Lamb (TL) – Director of Education <i>items 1- 2.7 only</i>            Sean Pinhay (SP) – Chief Finance and Operations Officer [CFOO]            Vanessa Schreiber (VS) – Executive PA</p>	
<b>1</b>	<b>Apologies:</b> Karen Brokenshire (KB), Amy Claridge (AC), Ross Schreiber (RS)	
<b>2</b>	<b>Transfer of Marazion School to Crofty Education Trust - Due Diligence report</b>	
2.1	<p>SH thanked Trustees for attending at 24 hours notice. He explained that the RDD project delivery officer is pressing for a decision as to whether the trust is prepared to accept Marazion now that the full extent of the financial liabilities have been revealed. Their request to join Crofty is currently due to be presented at the December Advisory Board, hence the urgency.</p> <p>NL reported that the three Trustees unable to attend had all submitted questions and their views on the proposal. Their questions would be shared during the meeting and that these together with the responses from officers would be included in the minutes.</p>	
2.2	<p><b>Marazion’s budget deficit.</b></p> <p><i>KB: Will the deficit be met from our reserves as we really can’t reduce current funding for our large schools?</i></p> <p>Projected deficit of £150K is a ‘worst case’ figure. The DfE effectively ‘loan’ us this money and we then repay it over a 36 month period which equates to c.£4K a month. SP has worked with them on their budget three times already and they have made changes. The change of leadership – which is already in place – will make a significant financial difference.</p> <p>SP expects them to be a net contributor after 3 years – with the caveat that as with all our schools any reduction in their NOR would impact on this projection.</p> <p><i>AC: Will controlling their budgetary issues have a negative impact on the children's education (both the children in Marazion school and those already in Crofty schools)?</i></p> <p>TL confirmed that they have a ‘well-prepared’ internal candidate who will be in a strong position to apply for the post of Head of School when the current Head leaves – with Vicky</p>	

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	<p>Sanderson becoming their Executive Headteacher. The new position will be non-teaching and include being SENDCo – but the current Assistant Head role will not be retained.</p> <p><i>AC: Are there clear mitigations and monitoring in place for ensuring their budget can be turned around (and what will happen if this slides)?</i></p> <p>SP confirmed the budgets presented in the accompanying due diligence pack had been vetted by their Head. They could be pushed further to meet our KPIs – ‘still some wriggle room’. He pointed out the school will come into a much stronger internal monitoring system than they have had as a maintained school.</p>	
2.3	<p><b>Impact on Crofty of dealing with their deficit.</b></p> <p><i>RC: What Due Diligence has been carried out on the impact on our existing schools eg less budget, any need to stretch Shared Services?</i></p> <p>Yes we have considered the impact on both Shared Services and Core team for school improvement. No extra staff needed for Shared Services team but there will be some extra licensing costs.</p> <p>For school improvement we have assessed them as Stage 1 so some support needed – but having an experienced Executive Head will make a big difference and we do not need to duplicate the support they are already receiving from the English and Maths Hubs. We will need to ensure robust tracking and assessment is introduced.</p> <p><i>RG: Following HR Due Diligence are there any potential redundancy cost implications?</i></p> <p>Our past experience is we can mitigate this through moving staff within the trust – and given our current difficulties recruiting then there will be multiple redeployment opportunities. The Head is leaving and this often leads to other staff moving on as well. The school does have some ‘niche specialists’ which are a bit of a luxury for one school – but potentially they can be shared across the trust and therefore reduce their costs.</p> <p><i>MH: Do we have any projections about future NOR?</i></p> <p>Yes but this is ‘erratic’ over the next 3 years and possibly over-estimated. However a recent new housing scheme saw 12 new pupils and a phase 2 scheme is scheduled for next year.</p> <p><i>RC: Clearly the local authority have not managed the school's deficit - could we get anything from them?</i></p> <p>Legally no – the transfer process requires us to take on any deficit. However we will still be applying pressure on the LA.</p>	
2.4	<p><b>School Improvement.</b></p> <p><i>MB: When might Ofsted next visit the school – and does joining a MAT change anything?</i></p> <p>Normal 4 year cycle would mean 2027 at the earliest – but a maintained school joining a MAT gets a 3 year grace period.</p> <p><i>KB: KS2 pupil outcomes are a concern. Maths scores have already been identified as very low but Writing scores are 76%, above NA, and not in line with GPS and reading. Is writing still self assessed by the school? If so this assessment in writing will probably need to be an area for development.</i></p> <p>TL confirmed that writing is self-assessed and not in line with other results. From January Marazion will be part of the Trust’s assessment process.</p>	
2.5	<p><b>Staff opinions and reputation risk.</b></p> <p><i>AC: Is there potential for a reputation risk to Crofty – i.e. potential noise around 'when we weren't in Crofty we could afford XYZ' etc? and...</i></p>	

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	<p><i>KB :Are their governors aware of the financial difficulties the school faces? When I met with them in the summer this was not identified as a concern.</i></p> <p>Governors are now aware of their financial position and this is mentioned in the letter to Penwith Education Trust (PET). SP reported that at his first meeting with the school when he challenged how the budget was set their Chair was present, who acknowledged the real position quite quickly.</p> <p><i>KH: Could the current Head leaving create any issues with retaining current parents and NOR – or on the wider culture of the school?</i></p> <p>Yes we need to be aware and the planned internal recruitment of a successor will be helpful with this. They already have a very strong link with the local community and can articulate their own vision for building upon the school’s very strong culture. TL added that this is very similar to other trust schools such as Garras and Sithney.</p>	
2.6	<p><b>Due Diligence reports – other questions.</b></p> <p><i>KH: What is PET and what do Marazion lose by leaving them?</i></p> <p>SH explained that they are a co-operative trust which offers little apart from a like minded community. There is no accountability within the trust and they do not get involved in educational outcomes.</p> <p>SH added that Marazion’s experience of joining Crofty could potentially influence other PET schools to consider us in the future. Any Crofty school can continue to be part of existing networks after they join us – eg Lanner and Pennoweth do this.</p> <p><i>MH: What else are we waiting on to complete Due Diligence?</i></p> <p>RJ reported this just relates to financial issues – primarily if there are any outstanding insurance claims or other liabilities.</p> <p><i>MB: This all feels very positive as they have a similar ethos. Are there any possible complete unknowns not already covered – and if yes do we have any subsequent recourse?</i></p> <p>SP confirmed he had already seen several years of accounts and based on experience it would be very hard for a school to hide things. They are required to let us know about any outstanding insurance liabilities – but these are usually very low.</p> <p>KH commented that compared to commercial acquisitions she had been involved with schools seemed very straightforward, and expressed confidence in the experience and skillsets of SP and the rest of the team.</p> <p><i>PS: 2019 building assessment includes lots of negative comments – will addressing these be a further concern?</i></p> <p>SP commented that our Premises Manager had visited the school and described it as ‘a dream’ compared to many other trust schools.</p>	
2.7	<p><b>Missing from Due Diligence reports.</b></p> <p><i>KH pointed out that the Project Overview covers why Marazion should join Crofty – but we have not been presented with the opposite business case for the Trust wanting them to join us?</i></p> <p>SH offered several reasons to bring them into the Trust:</p> <ul style="list-style-type: none"> <li>• meets our ambition to grow</li> <li>• geographically works for us</li> <li>• financial analysis is they will not be a long term draw on finances</li> <li>• aware growth should not be at any cost but this has been planned in parallel with Penpol – who would make a bigger impact on the Trust</li> </ul>	

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	<ul style="list-style-type: none"> <li>on their own they bring no financial boost – but they fit our model</li> </ul> TL added they will bring massive diversity to our schools particularly with their work around sustainability and the environment, and innovative work in several areas.	
2.8	<p><b>Decision.</b></p> <p>SH reminded Trustees the recommendation to proceed with the transfer of Marazion to the trust had two specific conditions:</p> <ol style="list-style-type: none"> <li>Trustees are satisfied with the school's financial recovery plan as proposed by Crofty CFOO (Annex 5)</li> <li>Trustees are satisfied with the ESFA repayment mechanism</li> </ol> <p>Both Trustees who had left early (RG/PS) had confirmed their approval before leaving. All three Trustees unable to attend had confirmed by email they were happy to approve the recommendations subject to satisfactory responses to their questions. Trustees present voted unanimously to agree the recommendation and specific conditions.</p>	
2.9	<p><b>Suggestion for future Due Diligence work and reporting.</b></p> <p>Trustees requested that for any future reporting and documentation provided to inform their decision making there was additional work completed to analyse the pros and cons to our Trust and schools in accepting individual schools. This should be informed by several of the questions asked earlier in the meeting.</p>	SH
	Meeting finished at 10.55	

<b>Dates of next meetings</b>	
25 Nov	SIG
26 Nov	FAR
<b>10 Dec</b>	<b>BOARD</b>
14 Jan	LGC Chairs
20 Jan	SIG
28 Jan	FAR
<b>11 Feb</b>	<b>BOARD</b>