

Governor Conference 2023

Trustees' Annual Report
to Governors

Saturday 28 January 2023

9.30am - 3.30pm

1 Angel Square, Manchester, M60 0AG



Academies Trust

Welcome

from the Chair of the Trust



On behalf of the Trust Board, I am pleased to introduce the Co-op Academies Trust Annual Review of 2022.

The past year has once again presented many challenges. It is easy to forget that, at the beginning of the year, our academies were still dealing with the enormous disruption caused by the pandemic, impacting both pupils and colleagues. But even as the more immediate impacts of Covid receded, so the full extent of the longer term challenges around educational recovery and, just as significantly, the wider impacts on well-being have become apparent. In such challenging times, the advantages of being part of a strong, caring and co-operative trust have never been more apparent.

In tough times, you need great people. So to all the nearly 3,000 colleagues who work in our 30 academies, I would like to say a big thank you for the difference you are making to the lives of our 18,000 children and young people. Also, the continued support we receive from the Co-op helps make our trust genuinely unique, as part of the wider vision of “co-operating for a fairer world”. Part of this support is about people - whether it is the 80 plus Co-op colleagues who serve on Academy Governing Councils, the dozens of mentors who help deliver our unique Co-op careers offer, or those who help unlock the myriad of opportunities - especially linked to priorities around access to food, well-being and opportunities for young people.

Another area of focus, inspired in part by the Co-op, has been a focus on equality, diversity and inclusion. As a trust which serves many ethnically diverse communities, it is right that we have prioritised fresh thinking around the issue of anti-racism, working with leading experts from Leeds Beckett University. This is a key topic for our 2023 Governors’ Conference and we hope this will maintain momentum in this area. We are also mindful that for many in our academies, life-chances are limited by a lack of social mobility in many of the

communities we serve - and that the cost of living crisis is likely to exacerbate the issue. So our focus on providing a great education, underpinned by great enrichment opportunities and a skill-set based on our co-operative “Ways of Being” couldn’t be more important.

Perhaps the most important milestone for the Trust Board was to adopt a new Strategic Plan for 2022-25. The central plank of the plan is the concept of “belonging” - a sense that our Trust is strong when we all pull together, sharing expertise and resources equitably whilst also ensuring we maintain our local identities.

There have been some changes to the make-up our Trust Board - thanks are due to Shaheen Myers, Gill Gardner and Gill Robinson who stood down during the year, having made an important contribution to our development. Also, we saw our Vice Chair, Mike Greenacre and Chair of Audit and Risk and Finance Committees, Neil Braithwaite, complete their second terms of office and stand down. Both Mike and Neil had been trustees from the beginning and, prior to that, had been instrumental as senior Co-op colleagues in establishing our first academies, over a decade ago. We have been pleased to welcome Tim Cutting as a new trustee, providing vital financial skills to replace Neil, and we expect to make further appointments early in 2023.

Thank you again to all who are helping to make our Co-op Academies a great place to learn, work and co-operate.

Russell Gill
Chair - Co-op Academies Trust

Welcome

from the Chief Executive



Dear Governors

Happy New Year; we're looking forward to a very successful 2023 for the Trust as we build on progress made in previous years. A massive thank you for your commitment and dedication and for the expertise you contribute, for your pupils, staff and communities. It is very much appreciated and makes a real difference to young people's lives. Thank you for your contribution.

It is great to have the conference back in person so thank you for travelling in. Our previous two virtual conferences were excellent but there is nothing like a conference in person, so we appreciate all your time to make this a possibility. Our theme for 2023 is Equality, Diversity and Inclusion, and there can't be a more important topic to focus on currently. We have a wide range of schools reflecting so many different communities, which makes this such a crucial area. With your help we are committed to ensuring that, within our academies, we have the right cultures, and pupil and staff experiences, to maximise the potential of every individual student in that setting.

We have had some real highlights over the last year, with really good progress as we work towards becoming a leading Trust in the North of England for a broad range of pupil outcomes. We went from having a total of one secondary school achieving positive Progress 8 in 2019, with an overall red rating from the Department for Education, to an amber rating and four schools achieving positive Progress 8, with eight out of ten secondary schools making improvements since 2019 despite the pandemic. This represented an excellent step forward and this, we hope, will be a stepping stone to seven secondary schools achieving positive Progress 8 in 2023 and all in 2024. These public outcomes represent areas which are crucial to our students, and the measure of progress helps in terms of context and progressive measurements for

school improvement. Alongside this we achieved some excellent public outcomes for our careers education and guidance. Our NEET statistics (those pupils not in education, employment or training at 16 or 18) were very low for 2022 and, in fact, the best we have ever recorded, as well as being much lower than national averages. This is so important for our students and always has the highest of profiles within our Trust, although not within education nationally, in my opinion. We are a Trust leading the way on careers education and guidance nationally and something we should be very proud of.

This year, in terms of capital projects, we have been highly successful with the completion of Co-op Academy Belle Vue, Connell Co-op College extension, confirmation of Co-op Academy Smithies Moor receiving a total rebuild, Co-op Academy Stoke-on-Trent's expansion due to local demand and request for more pupil numbers, the confirmed extension project at Co-op Academy Nightingale and then the build for our new all through special school: Co-op Academy Brierley. We now have a situation where twenty out of our thirty schools will have very modern or brand new buildings. This makes a real difference in recruiting staff, pupils and staff feeling a sense of belonging to their school and in helping the community take pride in its academy. This great work, attracting investment and then completing the capital projects, shows the real quality and depth we have within the Trust. At secondary level and post-16 we have also seen our pupil numbers continue to grow, showing a real confidence in our schools and the pupil daily experiences they offer their communities.

There are so many highlights but these are some of the real stand out ones in that last calendar year.

It is important not to forget the most significant crisis ever to affect education is still impacting on schools today, the Covid-19 pandemic. We are still in 'Educational Recovery mode' even though every external education public organisation seems to think everything is back to normal. It isn't! And I'd like to express a huge thank you to all staff in all the different roles within each school who are helping so positively with that recovery. It has been a very tough period and staff are working so hard to get back to pre-pandemic levels. As a Trust this school year there has been a real focus on pupil attendance (especially through expanding enrichment activities through our regional Sports Events Coordinators), Reading, Special Educational Needs and Pupil Premium, this being particularly important as we all know the most vulnerable children were affected the most negatively. I am proud of how we are tackling this tough period nationally for education and despite the challenges, which are unprecedented, we are still moving forward and making progress in all areas.

One of the areas where we have made a great deal of progress is Equality, Diversity and Inclusion. This work started with an Advisory Group back in March 2021 where an action plan was produced and all schools' objectives were scrutinised and quality assured. We then started to roll out an intensive training programme whilst also completing actions identified previously. With the support of the Co-op and working in partnership with Leeds Beckett University lots of excellent training has been given so schools can achieve their objectives, one of which is that they must produce an anti-racist curriculum by September 2023, and also work towards generating a culture where every individual contribution is valued positively, is given equal opportunities and pupil

experiences, and a real fairness when it comes to daily occurrences within school. Fundamentally more than ever, as our schools improve, the success and potential of every individual will be maximised and they will be respected for who they are. For me this is encapsulated within the Co-op Way of Being: "Be Yourself Always".

Lastly I would like to say a big thank you to our guest speaker Margaret Casely-Hayford CBE, who is just the right person to deliver a speech on such a key topic. Thank you Margaret. I would also like to thank you all for your attendance today and give a massive thank you to the Governance Team for organising and delivering what will be another very successful conference. This is now my fourth and all are very energising, informative and highly motivational.

Thank you, have a good conference.

Dr Chris Tomlinson
Chief Executive Officer



Our Trust Board

Although we refer to our board members as 'Trustees' they are also, in legal terms 'Directors'. The Department for Education also considers them to be the 'Governors' of the Trust. You may come across any or all of these terms used to describe Board members. This reflects the legal structure of the Trust as both a company limited by guarantee (i.e. without shareholders), and an exempt charity (i.e. accountable to the Secretary of State for Education, rather than to the Charities Commission).

They are charged with the three core functions of governance, which the Department for Education summarises as:

- Ensuring clarity of vision, ethos and strategic direction;
- Holding executive leaders (the Chief Executive Officer and senior leadership team) to account for the educational performance of the organisation and its pupils, and the effective and efficient performance management of staff; and
- Overseeing the financial performance of the organisation and making sure its money is well spent.

The Trust Board delegates responsibilities to our Academy Governing Councils (AGCs) via the Trust Scheme of Delegation, which is published on the Trust website.

We currently have 7 trustees and are actively recruiting to the Board.

There are five board committees:

- Outcomes
- Growth and Development
- Audit and Risk
- Finance
- Remuneration

Details of committee membership and terms of reference are available at coopacademies.co.uk/about-us/governance



Mags Bradbury
Chair of Outcomes
Committee



Jane Cowell OBE
Chair of Growth and
Development Committee



Tim Cutting
Chair of Finance
Committee



Russell Gill
Chair of Trust Board and
Chair of Remuneration
Committee



Patsy Kane OBE



Arati Patel-Mistry



Dave Robertson
Vice Chair of Trust Board
and Chair of Audit and
Risk Committee

Our Members

The National Governance Association (NGA) says that the Members of a Trust are “the guardians of the governance of the trust.” In a company limited by guarantee, in other words a not-for-profit company like an academy trust, Members take the place of shareholders. Their responsibilities are limited but very important. Details of who the Trust’s Members are are published on the Trust’s website. The Members fulfil their responsibilities by appointing the Trustees - and monitoring how the Trust Board operates.

The Members meet twice a year, and can make decisions between meetings by way of written resolutions. The details of how Members’ meetings and decision-making processes are conducted is determined by the Companies Act 2006 and by the Trust’s Articles of Association, which are published on the Trust’s website.

As well as having four Co-op employees appointed as individual Members, the Co-op Group is also a corporate Member of the Trust.



Rebecca Birkbeck



Paul Gerrard



Gill Gardner



Russell Gill



Dominic Kendal-Ward
on behalf of the
Co-op Group

We're Growing

29 Academies
at the end of 2022
and
1 free school
in the process
of opening,
up from 27 in 2021

**£150.5m
Income**
up from £143m
in 2021
(see full breakdown
on next page)

**18,663
Students**
17,361 up from
in 2021

2,869*
Colleagues
up from 2,536
in 2021

**80 Co-op
Governors**
down from 83
in 2021

*this may include a small number of casual staff not previously counted

Trust Financial Summary (as at end financial year August 31 2022)

Financial Summary	Total 2022	Total Restated 2021
	£000	£000
Operating income	141,878	138,543
Transfers / Conversions	8,602	4,532
TOTAL INCOME	150,480	143,075
Operating Costs	(153,486)	(136,279)
Revaluation of Pension Liabilities	(83,252)	(6,557)
NET MOVEMENT OF RESERVES	(80,246)	239
CUMULATIVE RESERVES	280,490	200,244

Balance Sheet	Total 2022	Total Restated 2021
	£000	£000
Tangible Assets	324,316	321,882
Net Current Assets	19,241	11,279
	343,557	333,161
Liabilities > 1 year	(63,067)	(132,917)
NET ASSETS	280,490	200,244
TRUST RESERVES	280,490	200,244

The summary financial statement takes into account the technical reporting requirements of both Accounting Standards and the Regulator (through the Academy Trust Handbook). We are required to show movement in the annual liability through our Statement of Financial Activities (SOFA). From an operating perspective, the Trust made a deficit of £3 million during the year, which included £1.8m of capital receipts which will fund capital projects during the current academic year.

The Work of the Trust Board Committees

Outcomes Committee

The Outcomes Committee meets four times each year and its role is to oversee outcomes across the Trust, from pupils' achievements to staff experience. Each of the Committee's members has a link role which involves them visiting academies and scrutinising different areas of the Trust's work, and making reports back to the Board. We were sorry when our link trustee for special educational needs had to step down recently, and would like to thank Gill Robinson for her excellent contribution in this area over the last few years.

The Committee is also responsible for overseeing safeguarding across the Trust and receives regular updates as well as a comprehensive annual update from the Trust lead for this area. Our very active safeguarding link trustee is in regular contact with the Trust lead, and also attends feedback meetings from a selection of the safeguarding audits across the Trust to ensure she is well sighted on this critical area.

Key areas of focus for meetings over the last year have been:

- Educational outcomes across all the academies
- Provision for students with special educational needs
- Development of a curriculum statement for the Trust's special schools
- Safeguarding
- Diversity, including scrutiny of gender and ethnicity pay gaps
- Careers provision and student destinations
- Initial teacher training and the early careers framework
- Student behaviour
- Staff turnover
- Staff and student attendance and wellbeing

Growth and Development Committee

The Growth and Development Committee has met six times in the last 12 months; twice with single agenda items to consider, where urgent decisions were needed. During this period we have bade farewell to two valued members, Mike Greenacre and Tony Hind and our appreciation for their commitment and contribution is immense.

As reported last year, the pandemic led to a significant slowdown in activity which might lead to new schools joining the Trust but the last 12 months has seen an increase in interest and Activity.

Since the last annual report, we have welcomed into the trust New Islington and Glebe primary schools located respectively in Manchester and Stoke-on-Trent. Two further primary schools, in Wirral and in Bradford are expected to join the Trust respectively by Easter and during the autumn term. Demographic data shows a significant increase in the numbers moving into the secondary phase nationally and regionally. In Stoke the local authority has agreed with the Trust an expansion of Co-op Academy Stoke-on-Trent, and, building on the successful applications for Co-op Academies Belle Vue and Brierley, two more applications for new Free Schools have been made, one secondary and one primary, and the outcomes of those applications will be known shortly. The pipeline of schools potentially interested in joining the Trust is building significantly and indicates that scope for continued growth exists.

Demographic data nationally and regionally shows a significant decline in primary school numbers over the next few years. Many primary schools both within and outside the Trust are one form entry and these schools will feel additional pressures if pupil numbers fall. The committee proposed that a task and finish group be set up by the Board to consider the resourcing implications both of falling rolls for these schools and of more of these schools joining the Trust at this time, and this group started to meet.

The Committee has continued to monitor progress in the implementation of the Connell Co-op College business plan, instituted to deliver significant student growth in return for significant additional funding from the Department for Education. Following a disappointing pandemic enrolment in 2021 the College has completed an impressive modernisation and professionalisation of its marketing, recruitment and enrolment strategy and 2022 saw a dramatic increase in enrolments and the college is now on track to achieve the growth required.



The Work of the Trust Board Committees

Remuneration Committee

The Trust Board established a new Remuneration Committee (Remco) in 2021, bringing together the work of the Chairs' Committee and the CEO's Performance Management Committee to also provide a forum for considering other issues relating to remuneration within the Trust.

The Committee comprises the Chair, Vice Chair and Committee Chairs. We also have a co-opted member provided by the Co-op's Reward team. During 2022, John Hill replaced Laura Yardley as the co-opted member.

The Remco met on four occasions in 2022 - twice solely to focus on the CEO's performance management process and two other meetings, which considered other important topics. At its last meeting the Remco recommended an Executive Pay Policy, which codified the approach which would be taken in respect of the CEO's remuneration and that of the Trust's senior leadership team. The policy now has in one place key aspects of Trust's approach to senior pay - for example, the policy of a maximum 1:10 ratio between highest and lowest paid colleagues. Given how contentious executive pay is across the sector, policies such as this portray the Trust in a very positive light compared to some others. Another aspect of the Remco's work is to benchmark salaries - we need to strike a balance by offering remuneration which is competitive and fair whilst also respecting the fact that we must use public money judiciously.

The Remco also considered the Trust's approach to the Real Living Wage (RLW). We are a RLW employer and are proud to be so - however, in line with many other employers including the Co-op, we decided not to seek accreditation from the Real Living Wage Foundation, as we are significantly dependent on government funding to meet salary costs which cannot be guaranteed.

Another significant decision was to de-couple the performance management process from pay progression for teachers. This will help ensure development discussions take place without being over-shadowed by issues around pay progression. This is one example amongst many where we have sought to improve terms and conditions for colleagues in collaboration with our trades union partners - relationships we greatly value.

Finally, Remco considered our gender pay report which we are required to produce annually. Our report is skewed significantly by the make-up of our workforce, with some roles such as the primary sector, teaching assistants and other ancillary support being female dominated. Nevertheless there is a need to encourage more women to fill senior roles in some parts of our workforce and to ensure that this positively impacts gender pay.

In 2022, we also saw a major breakthrough in understanding our ethnicity pay - more work is needed to fully understand the data but, again, it is clear that we need to encourage more ethnic minority colleagues into some more senior roles within the Trust.

Finance Committee

Tim Cutting took over as Chair of the Finance Committee in September 2022 after Neil Braithwaite completed his term of office as a trustee. The Finance Committee has met five times in the last 12 months and in the last two of those meetings has been formally separated from (whilst still maintaining a close working link with) the Audit and Risk Committee, in order to further improve our already robust governance in this area. This committee supports the Trust Board, primarily, by considering and challenging the detail of the Trust's financial plans, forecasts and ongoing financial performance, the Trust's Financial Regulations, Asset Management Strategy and Reserves Policy. This has included reviewing and approving updates to the Trust's Financial Operations and Procedures during 2022. In a year of significant challenge given the political uncertainty, inflationary environment (and associated pay increases) and the cost-of-living crisis impacting colleagues, pupils and their families, we were pleased with how the Trust responded to such pressures in a controlled and measured way, continuing the strong financial performance of the Trust overall and the maintenance of reserves in line with the Trust's policy.

Audit and Risk Committee

Dave Robertson took over as Chair of the Audit and Risk Committee in September 2022 after Neil Braithwaite completed his term of office as a trustee. This committee supports the Trust Board by advising on the effectiveness of strategic processes for risk management, internal control, governance and information assurance. It takes the lead on liaison with the internal and external audit teams in agreeing their plans and following up on the results of their work, and oversees the production of the Trust's annual report and accounts.

In the academic year 2021 to 22 a total of 6 internal audits were conducted (in conjunction with our current partner BDO) with a further 7 planned in 2022 to 23. The audits covered a multitude of topics concerning the safe and effective running of the Trust. A total of 11 recommendations were made across the medium and low significance categories with zero high recommendations. This is a significant improvement on 2020 to 21 where a total of 44 recommendations were made (9 high, 18 medium and 17 low recommendations). In addition the design of the controls and operational effectiveness of these controls were in all cases deemed to be moderate and substantial, demonstrating the increased level of maturity of the control framework which underpins and assures the successful growth and management of the Trust.

We were also delighted to receive the external audit report, which noted the excellent work of our finance team, the accuracy of the financial records and the value of the Civica system in helping to achieve this, again no significant recommendations were noted with only 4 other recommendations.

Throughout 2022 and 2023 it is the intent of the Risk and Audit Committee to use the time together to deep dive into the largest risks and to continue to ensure that the risk framework is both fit for purpose and delivering value to the overall Trust.

**Do
what
matters
most**

**Be
yourself,
always**

**Show
you care**

**Succeed
together**

Co-op Academies Trust
1 Angel Square, Manchester, M60 0AG

coopacademies.co.uk



Academies Trust