

ANNUAL REPORT TO MEMBERS 2023.



CONTENTS

- Our purpose, vision and values 3
- Chair’s message..... 4
- Our strategy 6
- Interim Chief Executive Officer’s overview 2022-23 7
- Great School Framework 8
- New Chief Executive Officer’s overview - Looking forward 9
- Results of the Shareholder Survey 2023 11
- Our Executive 12
- Financial overview 2022-23 13
- Our Board of Directors 14
- Corporate governance 16
- Chair’s report: Personnel and Remuneration Committee 17
- Chair’s report: Audit and Risk Committee: 19
- Our commitment to CSR and reducing our carbon foot print 21
- Our commitment to race equality 23



OUR PURPOSE, VISION AND VALUES

OUR PURPOSE

We believe that every young person, through access to a great education, should be able to realise their potential, regardless of where they live, their background or circumstances.

OUR VISION

As a school owned and led social enterprise, we aim to work with every school, setting and trust in Hertfordshire, providing a full range of high-quality products, services, and training to support them to deliver a great education. All our services will deliver demonstrable impact. We will extend our reach through the digital delivery of selected services on a national basis, aiming to generate 20% of revenues outside of Hertfordshire by 2024-25. To broaden our position and extend our scope, we are committed to partnering with organisations that share our values and whose services deliver demonstrable impact.

OUR VALUES



Trusted We are trusted by those we serve, and we trust each other, because we are recognised as credible and experienced specialists in our chosen fields; we value the role that every colleague plays to deliver our purpose and vision.



Inspirational We are passionate about the power of education to help young people achieve great outcomes and will inspire those we work with to strive towards this purpose; we are resilient and will innovate and adapt to meet the changing needs of our customers.



Collaborative We know that collaborative working with each other, with our customers, and with other partners delivers greater impact; we learn from and with each other to overcome challenges and we put company-wide objectives ahead of individual or team objectives.

CHAIR'S MESSAGE

I am delighted to be able to share with you my first Chair's message, since taking up office as the Chair of the HFL Education Board of Directors in October 2023.

Last year, Catherine Glickman, Interim Chair of the Board and Senior Independent Director, provided an update on the broad developments within HFL Education and I would like to thank her for her continued leadership through the first part of the financial year.

Throughout the year, the Board of HFL Education has continued to work with the Executive team, colleagues and supporters to deliver our purpose and vision, at the heart of which is a passion for helping to realise the potential of young people. It is an honour and privilege to share in this endeavour.

Much of HFL Education's work is delivering core education and business services to schools and I would like to acknowledge the genuine partnership that exists between HFL staff and colleagues in schools, academies and settings, working together with the common purpose to improve the outcomes for young people. Through my own visits to schools, I have seen first-hand, examples of this partnership working, as well as receiving positive feedback when meeting school leaders. A result of this excellent partnership working was seen when the Schools Forum approved the de-delegation Core Contract funding agreement for this current year, and in principle for the following two years. I would like to thank all those involved for their vote of confidence in HFL Education.

Over the year, our core business performance has remained good, but impacted by the pressure on budgets across the sector, reminding us of the need to deliver high quality services

at fair cost. Therefore, we have continued to reorganise aspects of our operation to meet our customers' expectations and to invest in systems to support our future operation, including a new learning management system and a refresh of our web site to make it easier to use and more accessible. After 10 years of original brand imagery, we have also refreshed our branding using our excellent, in-house design team.

In any organisation, good leadership is vital, and it was with regret that during the year we said goodbye to Andrew de Csilléry who stepped down as our Chief Executive Officer after six years of service, to take on new challenges. Andrew was a key driver in consolidating and growing HFL Education's activities after its formative years and he leaves a strong organisation equipped to face future challenges.



After a competitive, nationwide search, the Board was delighted to invite Carole Bennett to return to HFL Education, to lead the next phase of our growth and development. In the interim, I am very grateful to Andrew Griffiths who stepped up to the Interim Chief Executive role. This allowed time for Carole to finish her commitments and have the benefit of time to reconnect with HFL colleagues, customers and stakeholders.

Carole will help HFL Education to continue to serve the needs of our local schools, conscious of the many challenges they face, having experienced them herself. She also brings new ideas of how we can support schools and settings in a changing world.

At Board level, we have seen changes too. Faisal Mir (Hertfordshire County Council [HCC] appointed Non-Executive Director [NED]), formerly Assistant Director - Finance & Business Support at HCC, resigned from the Board on 6 May 2022, along with Jeremy Scott (Secondary phase elected NED), formerly Headteacher at The John Warner School, resigning from the Board on 22 October 2022. Andrew de Csilléry, as outgoing Chief Executive Officer of HFL Education, formally resigned from the Board on 31 March 2023. The contribution of all three Board members will be greatly missed.

During the year, the Board was delighted to welcome two new NED appointees from HCC: Rachael Adler, Director of Finance and Business Support at HCC, who joined the Board on 9 September 2022, and Hero Slinn, Director of Inclusion and Skills at HCC, who joined the Board on 16 September 2022. These are important appointments to the Board, which bring not only individual expertise from finance to young people, but also help maintain the important connection to HCC and its priorities and ambitions for young people in the County.

Alongside Rachael and Hero, the Board also welcomed Margaret Chapman (secondary phase elected NED), Executive Headteacher at St. Albans Girl's School, who joined the Board on 9 January 2023. Margaret's experience is greatly valued, and she has already made her mark, with other school leaders on our Board, in helping HFL Education to shape its services and partnership with Hertfordshire schools and beyond.

Finally, Carole Bennett officially joined the Board, ex-officio, as Chief Executive Officer, on 2 May 2023.

Looking to the future, financial settlements for the sector and demographic change, pose many challenges, but I believe the changes we have been making at HFL Education, have prepared us well, so that we can continue to help schools, academies and settings succeed in delivering great outcomes for young people. To make this a reality, I am prioritising continued development of our partnership working, listening carefully to the needs of the sector and working with them to co-design innovative and practical solutions.



Professor Paul Layzell
*Chair of the Board of Directors
HFL Education*



OUR STRATEGY

Our Strategic Plan continues to build on the success of HFL Education over the past ten years. At the heart of our strategy is the continuous improvement of our offer to Hertfordshire schools whilst developing selected services for digital delivery on a national basis.



INTERIM CHIEF EXECUTIVE OFFICER'S OVERVIEW 2022-23

Throughout 2022-23, HFL Education has focussed on serving our loyal Hertfordshire schools and settings, whilst also embedding some of our strategic work. We recognise the challenges that our schools and settings face and continue to work in partnership to build on opportunities to help to offset those challenges.

One of the consequences of the tightening financial pressures in schools and settings has been a noticeable challenge to our PAYU services. We are aware that our customer base is finding it difficult to continue to invest in CPD, consultancy and resources and we are responding by ensuring that our services are value-adding and that costs are kept as low as possible. The inflation that we applied to our traded services in April 2023 was 7-8% below CPI as we strive to control our costs.

We are also seeking to overcome financial pressures by growing our customer base and income from scalable digital services. We did not meet our targets for new customer growth in 2022-23 and have moderated expectations for 2023-24. We are building on our learnings from 2022-23 and amending our plans for 2023-24 in an attempt to secure valuable additional income which also enables us to keep our prices low.

HFL Education is proud of the ongoing progress that we are making on Corporate Social Responsibility and on diversity. Our anti-racism work progresses with another successful cohort of the Great Representation programme completed in the 2022-23 academic year. We continue to develop our

work with schools in promoting initiatives to minimise the carbon footprint of HFL Education, schools and settings.

I would like to thank my HFL Education colleagues for all of their hard work over the past year in supporting schools, settings and trusts to deliver a great education and for continuing to demonstrate our shared values of trust, inspiration and collaboration.

Finally, I am pleased to welcome back Carole Bennett to the organisation as Chief Executive Officer, after four years of leading the Diocese of St. Albans Multi Academy Trust. Carole has over 30 years' experience working in and with schools and is driven by a dedication to provide the very best educational opportunities for all children. I know that HFL Education will continue to thrive under her leadership.

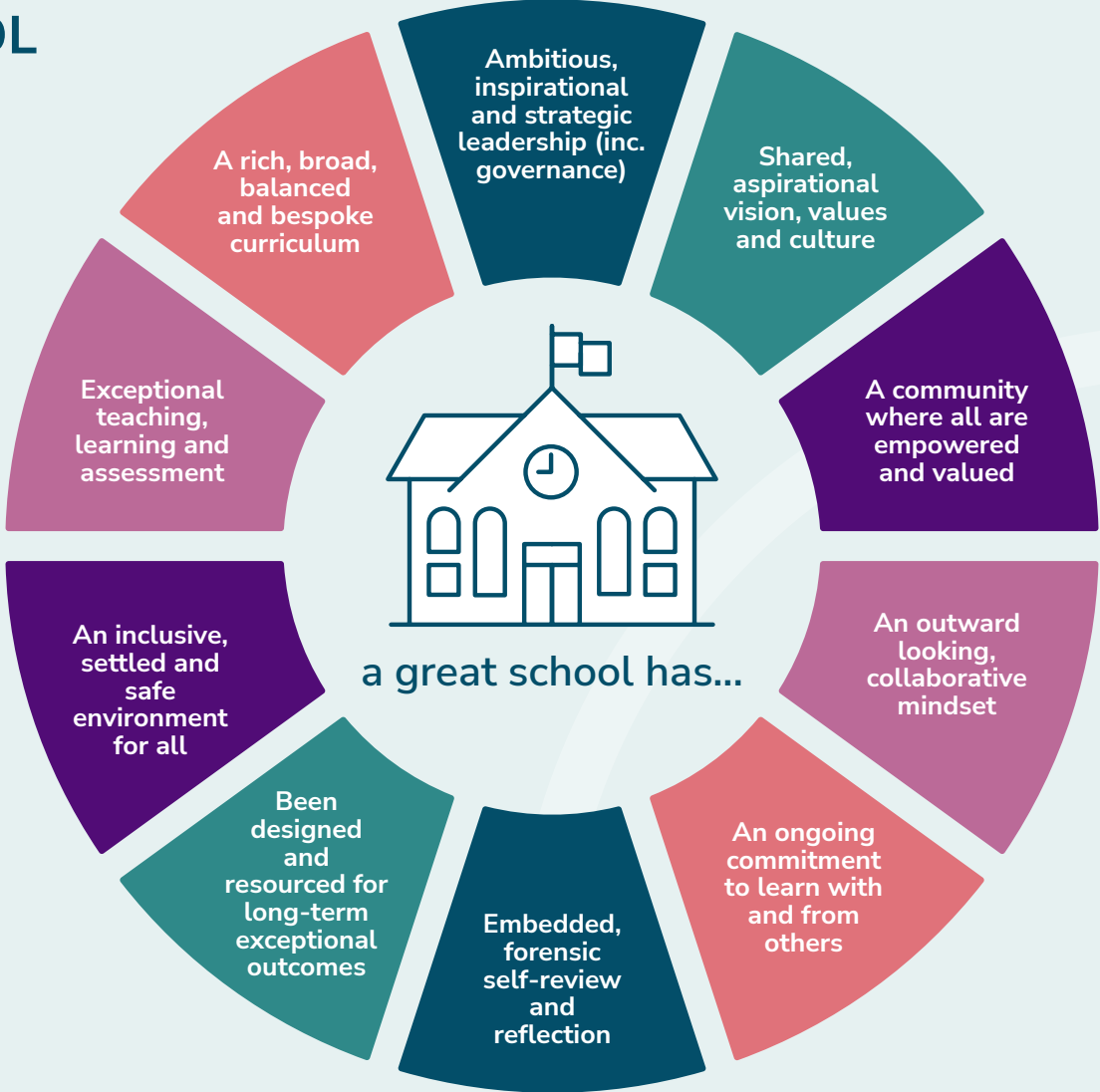


Andrew Griffiths

Interim Chief Executive Officer (1 April to 2 May 2023)



GREAT SCHOOL FRAMEWORK



NEW CHIEF EXECUTIVE OFFICER'S OVERVIEW – LOOKING FORWARD

I am enormously proud to have joined HFL Education as the new Chief Executive Officer from May 2023.

I would like to personally thank Andrew de Csilléry for his great leadership of the organisation over the past six years. He has worked tirelessly to build a strong, industry leading Company, and I am acutely aware of the debt of gratitude that we all owe him. I am committed to build on his strong legacy to ensure that the Company remains something that shareholders, customers, staff and the wider community can be proud of.

HFL Education was created ten years ago, in 2013. In this time, the Company has achieved great things for and with schools. Owned by the Local Authority (HCC), schools and settings across Hertfordshire, the Company has always had one clear priority; to ensure that every child across Hertfordshire has access to a great education, wherever they live and whatever their circumstances. There is no other organisation with the same relationship with its customers, breadth of offer or depth of expertise. The work that was done to create HFL Education has been built upon skilfully and consistently for ten years, and this has ensured that schools and settings remain able to be part of a thriving, collaborative community to withstand many of the storms that have challenged other parts of the country. Despite the changing Ofsted frameworks, Hertfordshire schools

and settings who are graded good and outstanding has consistently been above both national and statistical neighbours.

Having returned to HFL Education after four years leading a Multi Academy Trust, I am acutely aware of the changing pressures on schools and settings. The COVID-19 pandemic changed many of the ways schools and settings worked forever, and the ongoing pressures of societal change are continuing apace, alongside the ongoing evolution of education, business management and governance practices and expectations. Against this backdrop, HFL Education's role becomes more complex, but more important than ever. We must ensure that we help schools and settings to improve in spite of challenges, enabling all of our children and young people to flourish for the long term.

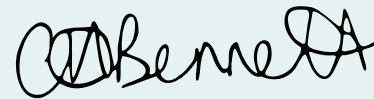


Across the organisation, we are committed to serving you and delivering high quality services and products that make our customers able to deliver the very best outcomes for children and young people. To do that, we know that we have to deliver against our two strategic objectives – we will thrive locally and grow nationally. We will ensure that our Hertfordshire customers are provided with high quality services and products that reflect their own circumstances, improving outcomes for children and young people. By sharing these products and services with a wider audience, we will be able to develop financial strength to withstand economic pressures and retain the ability to invest in research and development, as well as providing funding for areas of common good for our shareholders.

As a shareholder owned Company, we are bound to our customers. Since I joined the organisation in May I have seen and heard first-hand of the difference our services make to schools. Your ongoing honesty and feedback about how we work, what we offer and how we engage with you is critical to our ability to be an effective partner to you. I am personally grateful to everyone who has welcomed me in to talk about where we are working well, and where we can improve. This feedback is not only welcomed, but vital – and we will be building customer voice into all we do as we move forwards. HFL Education is your Company. We serve you, and we are accountable to you.

In addition to meeting with our customers, it has been a pleasure to get to know my HFL colleagues. Everyone has been so warm, welcoming and open, and I have appreciated the time colleagues have taken to tell me about their work and share their reflections about our journey to date. I have been struck by the professionalism, expertise and passion of our staff and I am really looking forward to driving our strategy forward with them.

As we prepare for the next chapter at HFL Education, I would like to thank you for your support for the Company to date. Our members and customers are at the heart of everything we do, and by working with you, we can, together, make a lasting difference to lives across the county and beyond.



Carole Bennett

Chief Executive Officer, HFL Education



RESULTS OF THE SHAREHOLDER SURVEY 2023

Total **115** responses representing **116** different schools vs. 2022 total 204 responses representing 180 different schools

69.6% of headteachers rated our **customer service** as **good** or **excellent**

81.4% of chairs of governors rated our **customer service** as **good** or **excellent**

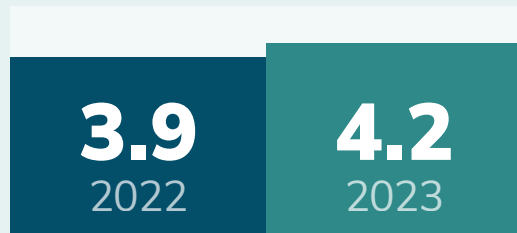


In 2022 96.7% of Headteachers were either very satisfied or satisfied with HFL (vs. 2023 = -2.1%)

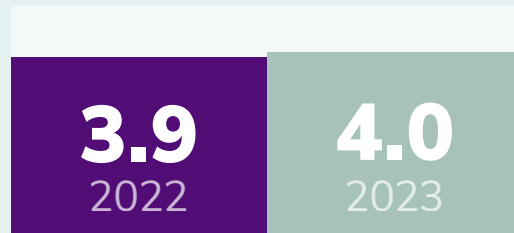


In 2022 96.0% of Chairs of Governors were either very satisfied or satisfied with HFL (vs. 2023 = -1.1%)

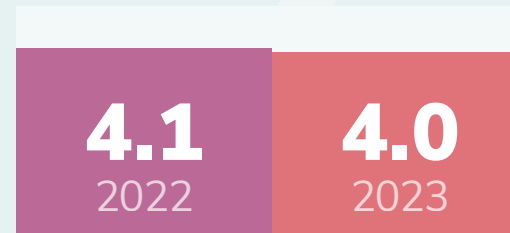
Annual ratings comparison



How headteachers rate the quality of **education services** provided by HFL



How headteachers rate the quality of **business services** provided by HFL



How chairs of governors rate the quality of **governance services** provided by HFL

All ratings shown are based on a score from one to five, with one being poor and five being excellent.

OUR EXECUTIVE



Carole Bennett
Chief Executive Officer



Andrew Griffiths
Chief Finance Officer



Rachel Macfarlane
Director of Education Services



Catherine Tallis
Director of Business Services



Dave Windridge
People Director



Reem Al Rasheed
Operations & Technology Director



FINANCIAL OVERVIEW 2022-23

£23.8m

Revenue

£180k

Operating profit

-£257k (before tax)

Full reported loss

Our total revenue increased by £500k vs. 2021-22 and ended the year below plan, reflecting the challenging financial climate across our customer base.

The operating profit was in line with expectations but below original budget, and the full reported loss was anticipated and reflects one-off costs that we have incurred to support the future development of the business.

Our blended service delivery model remains in place, but additional business expenditure is being incurred as we see a shift towards a larger proportion of work being undertaken face-to-face. We are focussed on trying to control expenditure and are absorbing supplier price inflation whilst minimising the price inflation that we pass on to our shareholder customers. We are targeting financial efficiencies across key business processes through the Organisational Effectiveness strand of our Strategic Plan.

We continue to focus on our local shareholder customers by continuing to evolve our service offering to meet changing needs in schools and settings. Alongside this, we also continue to grow our national customer base for a well-defined range of digital products.

Our financial reserves remain ahead of the Board's target, despite being reduced this year by the full reported loss.

The ever-tightening financial environment in which we operate continues to represent a challenge to our business, but our budget for 2023-24 and financial planning reinforces that our model is sustainable and robust.



OUR BOARD OF DIRECTORS



Professor Paul Layzell
*Board appointed NED and
Chair of the Board*



Carole Bennett
Chief Executive Officer



Rachael Adler
HCC appointed NED



Margaret Chapman
*Secondary phase elected NED
and Executive Headteacher at
St. Albans Girls' School*



Catherine Glickman
*Board appointed NED,
Chair of the Personnel &
Remuneration Committee*



Beth Honor
*Secondary phase elected
NED and Headteacher at
Marriotts School*



Natalie Knight-Wickens
*Primary phase elected
NED, Chair of the Audit &
Risk Committee and Chair
of Governors at Sheredes
Primary School*



Cynthia Rowe
*Primary phase elected
NED and Headteacher
at How Wood Primary
School and Nursery*



Hero Slinn
HCC appointed NED

Profiles of the
HFL Education
Directors

OUR BOARD OF DIRECTORS

During the year 1 April 2022 to 31 March 2023, eight meetings of the HFL Education Board took place. Both the Personnel and Remuneration (P&R) Committee and the Audit and Risk (A&R) Committee met four times each during the same period. The attendance record of each Director at these meetings is set out opposite. Against each Director's name the number of meetings at which the Director was present is shown and, in brackets, the number of such meetings that the Director was eligible to attend during the year.

The directors of the Board who were in office as from 1 April 2022 and up to the date of signing the financial statements on 4 July 2023 are shown to the right.

- *Faisal Mir resigned from the Board on 6 May 2022.*
- *Jeremy Scott resigned from the Board on 22 October 2022.*
- *Andrew de Csilléry resigned from the Board on 31 March 2023.*
- *Andrew Griffiths, Chief Finance Officer, stepped up to the role of Interim Chief Executive Officer between 1 April and 2 May 2023.*

| Director | Role | Date of appointment | Number of Board meetings | Number of P&R Committee meetings | Number of A&R Committee meetings | AGM September 2022 |
|--|--|---------------------|--------------------------|----------------------------------|----------------------------------|--------------------|
| Total number of meetings held in the year: | | | 8 | 4 | 4 | 1 |
| Executive Director | | | | | | |
| Andrew de Csilléry | Chief Executive Officer (to 31 March 2023) | 10 February 2017 | 7 (7) | 4 (4) | 4 (4) | 1 (1) |
| Carole Bennett | Chief Executive Officer | 2 May 2023 | 0 (0) | 0 (0) | 0 (0) | 0 (0) |
| Non-executive Directors | | | | | | |
| Rachael Adler | HCC appointed | 9 September 2022 | 5 (6) | - | 3 (3) | 1 (1) |
| Margaret Chapman | Elected by Secondary School phase | 9 January 2023 | 2 (2) | 1 (1) | - | 0 (0) |
| Lee Clarke | Elected by Primary School phase | 26 November 2020 | 6 (8) | - | 3 (4) | 0 (1) |
| Catherine Glickman | Interim-Chair of the Board (from 1 April to 30 September 2022). Chair of the Personnel and Remuneration Committee. Board appointed | 27 September 2018 | 8 (8) | 4 (4) | - | 1 (1) |
| Beth Honor | Elected by Secondary School phase | 28 March 2019 | 6 (8) | 4 (4) | - | 0 (1) |
| Stephen Hoult-Allen | Elected by Special Schools and Alternative Provision Academies | 26 November 2020 | 3 (8) | - | 4 (4) | 0 (1) |
| Natalie Knight-Wickens | Chair of the Audit and Risk Committee. Elected by Primary School phase | 6 July 2017 | 8 (8) | - | 4 (4) | 1 (1) |
| Paul Layzell | Chair of the Board (from 1 October 2022). Board appointed | 1 April 2022 | 7 (8) | - | - | 1 (1) |
| Faisal Mir | HCC appointed (to 6 May 2022) | 11 September 2019 | 0 (0) | - | 0 (0) | 0 (0) |
| Nick Novak | Board appointed | 26 March 2020 | 8 (8) | - | 2 (4) | 1 (1) |
| Cynthia Rowe | Elected by Primary School phase | 26 November 2020 | 7 (8) | 3 (4) | - | 0 (1) |
| Jeremy Scott | Elected by Secondary School phase (to 22 October 2022) | 30 March 2022 | 4 (4) | 2 (2) | - | 1 (1) |
| Hero Slinn | HCC appointed | 16 September 2022 | 2 (6) | 2 (3) | - | 1 (1) |

CORPORATE GOVERNANCE

Herts for Learning Limited (trading as HFL Education) is a School Company, established under the School Companies Regulations 2002. Hertfordshire County Council (HCC) is the Supervisory Authority. The HFL Education Board meets the full statutory responsibilities under the Companies Act 2006 and the School Companies Regulations 2002.

The Board of Directors consists of the Company's Chief Executive Officer and eleven non-executive directors. Six elected by school shareholders, two appointed by HCC and three appointed by the Board. The term of office for a Non-Executive Director is three years.

The Board has two sub-committees, the Personnel and Remuneration Committee and the Audit and Risk Committee, and one Board sub-group for Nominations and Governance. The Board of Directors determines the terms of reference, responsibilities and composition of the committees/sub-group, which are authorised to make decisions within agreed delegations and make recommendations to the Board of Directors, as appropriate.

The Board provides over-arching strategic direction and corporate governance for the organisation and holds the Company's Executive team leaders to account for the educational impact, standards achieved, and quality of provision and infrastructure services provided to schools, trusts and settings. The Board also has a strategic duty to ensure that our products, resources and services meet the evolving needs of schools and children, whilst ensuring that high standards, a focus on school improvement and financial viability are the strategic intention of all decisions made.

Directors are responsible for upholding the values of the Company and ensuring that the organisation promotes equality, diversity and inclusion for all of our stakeholders.

The Board undertakes various duties in accordance with the Matters Reserved for the Board, including approving acquisitions and partnerships, capital expenditure and common good investments. The Board also oversees the system of internal controls, corporate governance and risk management and approves the Strategic Plan, which is reviewed at the annual Board Strategy Day each summer.

The Board has an established and detailed process for the management of conflicts of interests. On appointment, each Director is required to disclose any conflicts to the Chair of the Board and Company Secretary and has personal responsibility for ensuring that any changes are notified. At each Board or sub-Committee meeting, each Director is asked to note any changes. Once a year, each Director confirms all conflicts of interests to the Company Secretary, and the Conflicts of Interest Register is reviewed by the Board.

The Board is supported by the Company Secretary, who provides assistance on corporate governance matters and ensures the Board has access to independent advice, if required.

THE 2023 ANNUAL GENERAL MEETING (AGM)

of Herts for Learning Ltd
(trading as HFL Education)
will take place virtually on
Tuesday 26 September
2023 at 5pm via Livestorm
For further information
about the AGM
please email: [board@
hfleducation.org](mailto:board@hfleducation.org)

CHAIR'S REPORT: PERSONNEL AND REMUNERATION COMMITTEE

Year ended 31 March 2023

On behalf of the HFL Education Personnel and Remuneration (P&R) Committee, I am pleased to present its report for the year ended 31 March 2023.

Over the past year, the P&R Committee has worked closely with David Windridge, during his first year as People Director, on the implementation of the refreshed People Plan. The Plan focuses on developing our organisational people capability and key HR workstreams, across three strands, which are aligned with the HFL Education Strategic Plan and evolving needs of the organisation:

- Leadership & Culture
- Developing Capability & Skills
- Organisational Effectiveness.

The mental health and wellbeing of our staff remains a priority, particularly during these challenging economic times. We recognise that all our staff are being impacted by the cost of living increases and a range of support is in place to help them manage their personal finances, including access to HFL Extras, an employee discount and rewards platform. The Committee continues to ensure that we invest affordably in the team throughout the year, through pay awards and bonus payments, to recognise the contribution that our staff make to the Company and to Hertfordshire schools, trusts and settings. In January 2023 we provided a one-off

payment in to assist colleagues with meeting additional costs from working at home due to higher energy costs. The Committee reviews and monitors a termly Pay Gap Report, which provides helpful insight into not only gender pay gaps, but also disability and ethnicity pay gaps. Colleagues also have access to an Employee Assistance Programme, which provides advice and support, including a counselling service, and a team of internal Mental Health First Aiders.

Our 'Working from Anywhere' Policy is well embedded across the organisation, with many colleagues taking advantage of our hybrid working model, which encourages a healthier work life balance, whilst meeting the needs and expectations of our customers. We have also recently reduced and refurbished our office space at Robertson House, to create a modern and flexible working environment. Hybrid working continues to help us to reduce our carbon footprint, as colleagues



decrease their daily commuting and business mileage. The Committee continue to oversee the work undertaken to promote and engage colleagues in this key business objective ([see page 21 for further details of how we are reducing our carbon footprint](#)).

The P&R Committee also continue to oversee the work undertaken to support our aim of becoming an anti-racist organisation. The Committee would like to thank Andrew Brown for driving this work forward as HFL Education's Equality, Diversity and Inclusion (EDI) Officer, between September 2021 and January 2023, and we wish him continued success in his new role with the Metropolitan Police. This important work continues to be sponsored by David Windridge and supported by the Company HR team. In 2023 we expanded our EDI lens to include more support for disability in the workplace and developing greater education for managers supporting colleagues with visible or invisible disabilities. We also have a Colleague Forum in place, which offers an informal and friendly environment for colleagues who identify as coming from racially minoritised groups to connect, and we are in the process of setting up a Company-wide EDI Committee, to help us maintain our focus on becoming an anti-racist organisation and a fully inclusive employer ([see pages 23 - 25 for further details about our ongoing internal and school facing anti-racism / race equity work](#)).

Over the 2022 autumn term, members of the P&R Committee were actively involved in the comprehensive recruitment process for a new Chief Executive Officer (CEO). We are delighted that Carole Bennett has been appointed as the new

CEO and we look forward to supporting her in this key role. The Committee would also like to thank Andrew de Csilléry, who left the Company at the end of March 2023 after six years as CEO, for his contributions to the P&R meetings, and for his championship, particularly on our anti-racism work.

Looking to the future, the Committee will continue to support the Executive and the Company HR team on the implementation of the People Plan. Once again, I would like to pay tribute to the professionalism, dedication and sheer hard work of all the HFL Education teams over the last year: on behalf of the P&R Committee, we will continue to support them to continue their work with schools and settings, and to support the delivery of the strategic objectives of Thrive Local, Grow National.

Catherine Glickman

Catherine Glickman

Chair of the Personnel and Remuneration Committee



CHAIR'S REPORT: AUDIT AND RISK COMMITTEE

Year ended 31 March 2023

On behalf of the HFL Education Audit and Risk (A&R) Committee, I am pleased to present its report for the year ended 31 March 2023.

The key function of the A&R Committee is to provide scrutiny and to ensure that the Board observes due process relating to the management of financial and other risks procedurally and competently. The Committee exercises oversight of financial controls and reviews financial statements and other significant documents, prior to approval by the Board.

Over the past year, the A&R Committee has continued to work closely with the Chief Finance Officer, Andrew Griffiths, and the Executive team, to ensure that the Company remains financially stable and that any associated risks are identified and managed robustly. Throughout the year, the Committee monitored the 2022-23 budget and termly budget reforecasts, taking into consideration rising operating costs and the potential impact of the financial pressures on schools, trusts and settings. In line with rising interest rates over the past year, the A&R Committee has also been monitoring our investment strategy to ensure that we are achieving the best possible return on our investments.

The A&R Committee is responsible for reviewing the scope of, and outputs from, the external annual audit. Hillier Hopkins completed their first audit of HFL Education in May 2022

and presented their findings to the Committee in June 2022, which was materially in line with Management Accounts forecasts.

While the Board is ultimately responsible for risk management, the A&R Committee oversees the overall effectiveness of risk management within the business and spends considerable time at each meeting reviewing any key current and emerging risks on the Company's Risk Register, together with the associated controls and mitigating factors. During the year, the Committee reviewed and approved the refreshed Business Continuity Plan for HFL Education, to reflect changes in the ways that we now work, and monitored the cyber security arrangements that are currently in place. The Committee also oversees the HFL Education's compliance with the UK General Data Protection Regulation and is

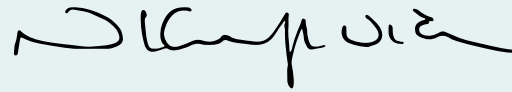


responsible for reviewing and approving a number of financial and risk related Company policies.

Over the autumn term, members of the A&R Committee supported the thorough recruitment process for a new Chief Executive Officer (CEO) and we look forward to supporting Carole Bennett in her new role as CEO at HFL Education. The Committee would also like to thank the outgoing CEO, Andrew de Csilléry, for his integrity and input at the A&R meetings over the past six years.

All A&R Committee members have executed their responsibilities with diligence and expertise, and, using their broad range of experience and expertise, have provided support and guidance to the Executive team during what has been another challenging year.

Key issues discussed by the A&R Committee are reported to and discussed by the Board, thus ensuring any significant matters are considered and addressed appropriately. I therefore believe that shareholders can be confident that the A&R Committee continues to protect both the integrity and values of the Company for all stakeholders.



Natalie Knight-Wickens
Chair of the Audit and Risk Committee



OUR COMMITMENT TO CSR AND REDUCING OUR CARBON FOOTPRINT

In line with HFL Education’s purpose, our work is focused on supporting those we work with to achieve successful long-term outcomes for their children. A key component of our corporate social responsibility is to reduce our environmental impact for future generations by actively managing our consumption of natural resources, implementing comprehensive recycling and reducing our carbon footprint.

Our work with Hertfordshire County Council (HCC) and schools developed through 2022-23; our contribution to the HCC Reference Group has provided external expertise to provide school leaders with information and develop initiatives in their school plans, together with resources for schools’ use through a dedicated section of the Hertfordshire ‘Grid for Learning’ website. We launched the Herts School Sustainability Leads Network to provide a networking forum and regular access to expertise and ongoing suggestions to access funding and sources of support and are hosting an inaugural Herts Sustainability Leadership Summit in summer 2023, which was free for school leaders.

The Board has committed the Company to achieving carbon neutrality by 2030, at the latest, and to offsetting emissions in the intervening period. Our carbon footprint for 2022-23 is 267 (note our 2021-22 outturn was 212 tonnes of CO₂e, representing a 46% reduction on usage against our benchmark year 2019-20). Our increased emissions this year are reflective of our return to more face to face service delivery and in person conferences and training events. Whilst we continue to make the best use of technology

to help us achieve our environmental goals, it is clear that schools require some HFL Education services to be delivered face to face. Therefore, we expect this figure to potentially increase again next year.

Our Working from Anywhere Policy supports colleagues to balance their working weeks through hybrid flexibility, minimising non-essential travel; and our significantly reduced and refreshed office space in Autumn 2022 provides a modern, inclusive environment whilst aiming to support an overall decrease in our energy usage.

Our use of resources such as printing, now represent a tenth of the volumes used prior to the pandemic reflecting a step-change in our colleagues working practices. By ensuring digital is our choice wherever this works for our schools and



colleagues, through our range of CPD and events, our increasing use of technology aims to help us achieve our environmental goals.

Our Cycle to Work scheme for colleagues, in place since Spring 2022, provides a tax-efficient means to take advantage of the benefits of alternative travel means.

Our relationship with **Trees for Life** has renewed again for the year ahead and has enabled us to offset our carbon usage since 2020 under an accredited scheme. These units go towards their rewilding work across the Dundreggan Estate in West Scotland, alongside initiatives supporting the planting and management of the forest.

Our future aims include identifying a local or regional location which may become designated for projects including rewilding or reforestation, as we hope this may provide options to increase engagement with both our colleagues and schools - and to make an even greater contribution in support of the environment.



OUR COMMITMENT TO RACE EQUALITY

HFL Education's founding purpose is to ensure that every young person, through access to a great education, should be able to realise their potential, regardless of where they live or their circumstances.

We strongly believe that education is key in creating meaningful change and we know that we have a significant role to play. Embedding equality, diversity and inclusion is everyone's responsibility. Our Board, Executive and colleagues are passionate about building a culture where everyone feels equally included and valued, so that diversity will follow.

Over the last 12 months, colleagues at HFL Education have continued to focus on race equality on two fronts: within the organisation and within schools, trusts and settings.

INWARD FACING: ANTI-RACISM ACTION IN HFL EDUCATION

The tragic death of George Floyd in 2020 forced us all to address what our role should be in addressing racism in society if we are to truly enable all to flourish. Across HFL Education, we recognised the key part we should play in building an anti-racist society and enabling all of our community to thrive. As a result, we embarked on a journey to become an anti-racist organisation. We reviewed how we could take action, building from well-meaning statements to deliver change.

We are proud of the work we have undertaken to date. In the three years since we began the journey, we have challenged for an end to systemic racism in education and promoted progressive practices. We have worked on key projects within HFL Education, and worked with experts, powerful voices and influencers to work towards long-term societal change.

Over this last year, colleagues and teams across the organisation have continued to build this momentum,

highlight awareness and challenge for progressive change – in their work with educational settings (see below), and in the workplace with colleagues and leaders, suppliers and clients.

We would like to recognise the work of some of our HFL colleagues who have been key in driving us forward. Andrew Brown, who challenged us for change back in 2020 and took up the mantle of EDI Officer; members of our Colleague Forum for their continuing challenge to all of us to strive to become an anti-racist organisation; and HFL Education's advisers working across so many schools and settings delivering anti-racism programmes, seminars, initiatives and workshops.

The third anniversary of the tragic death of George Floyd serves again a



solemn reminder to honour and renew the commitment we made to drive change in 2020.

We know our work is not finished and that we have a long road ahead. We are committed to being a fully inclusive employer, with truly inclusive processes and practices. With the support of the HFL Education Board, we have now launched an Equality Diversity & Inclusivity Committee to develop greater allyship for action and equality of respect to everyone, irrespective of background or status. This will not divert us from our aim to be an anti-racist organisation; rather this will enrich, challenge and drive our work forward with the full, aligned commitment of the HFL Education Board, leadership and community.

For 2023, we have committed for HFL Education to become a signatory on the Prince's Trust Business In The Community Race at Work Charter. Within our community, we know the work we are undertaking must make a sustained difference. External scrutiny, supported wholeheartedly by the HFL Education Board, holds us up even more openly to rigour, and is the next progressive phase to mark that we are about actions not words.

Our commitments are embedded into our Strategic Plan, through our ongoing work, and through our vision and values. Our work goes on, and we are committed to delivering the change we wish to see, both in HFL Education and the wider world.

OUTWARD FACING: ANTI-RACISM ACTION TO SUPPORT SCHOOLS, TRUSTS AND SETTINGS

During the autumn 2022 and spring 2023 terms, our two Race Equity Advisers, Toks Olusamokun and Shammi Rahman, and colleagues in the HFL Education Wellbeing team delivered the following range of support to schools, trusts and settings:

- 36 race equity focused school visits and reports
- 24 whole staff INSET sessions
- 7 whole school race equity audits
- 9 pupil/student stakeholder consultations
- 58 delegates participated in centrally run CPD events
- 20 schools supported with HFL Education's self-evaluation race equity toolkit
- 3 schools piloted the use of the new HFL Education curriculum audit
- 3 schools accessed subject-focused consultations
- 5 schools accessed support in responding to racist incidents
- 20 schools accessed 'Herts Voices' speakers.

In addition, our Great Representation programme has supported another cohort of 28 Hertfordshire primary and secondary schools to develop their confidence and skills in talking to school colleagues and



pupils about race. They have shared practice and worked to diversify and decolonise the curriculum, and to develop strategies to build equity across their organisation.

Race Equity Masterclasses have been offered to schools seeking an extended development programme. Year one participants evaluated the programme highly and the second cohort is double the size of the first and includes both an out of county school and a private (prep) school.

The innovative HFL Education Herts Voices programme was launched in November 2022, with the aim of providing highly inspirational and motivational talks to pupils in Hertfordshire schools, to challenge stereotypes about race and ethnicity. Since then, a range of talks have been given by diverse speakers in individual schools, receiving only positive feedback from both staff and pupils.

In October 2022, HFL Education's Black History Month resources were made available to support schools. Feedback from schools who have worked closely with our Race Equity Advisers indicates they are predominantly integrating Black History into their mainstream curriculum, rather than marking Black History Month as an 'add on'.

A series of thought provoking equality and diversity blogs have been written by HFL Education advisers throughout the year, to help maintain and develop interest in race equity. These blogs are available to read on the [HFL Education website](#).

Our first National Race Equity Conference held in Spring 2023 brought together nearly 500 delegates to hear from prominent speakers including David Olusoga, Reni Eddo-Lodge and Jeffrey Boakye. Our whole-school toolkits on anti-racism and race equity are now supporting school leaders to make sustained changes in their settings.

We have also worked with the Childrens Commissioner, Dame Rachel de Souza on addressing racism in education and society. And we have been honoured to partner with The Rt. Hon. Dr Stuart Lawrence, as the keynote speaker at our internal staff conference, contributor to our Primary English conference on ensuring a diverse curriculum, and at events for schools and educational settings.

As part of the HFL Education Board's ongoing commitment to HFL Education becoming an anti-racist organisation, it has agreed to continue to allocate common good funding for one Race Equity Adviser for year, enabling us to maintain both of our Race Equity Advisers for a further academic year.



