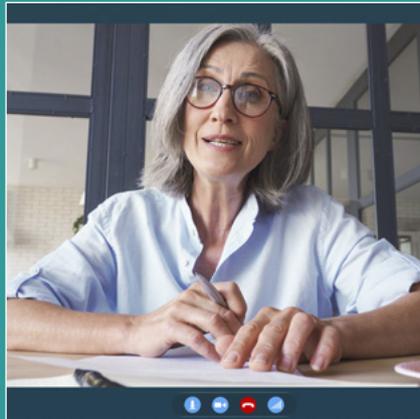


Annual report to shareholders 2021



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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 or their circumstances.

Our vision

Herts for Learning will be the company of choice for services, resources and products, helping those we work with to deliver a great education.

Our values



Trusted

We are trusted by those we serve and trust each other because we are seen as experts, offering credibility and experience in our chosen fields; we recognise and respect and demonstrate the role that each colleague plays to deliver our purpose and vision.



Inspirational

We believe in the power of education to help young people realise their potential and inspire those we work with to strive towards this purpose; we are passionate and resilient and show we are capable of adapting to change and willing to challenge ourselves; we innovate and evolve to meet the challenges of the changing environment.



Collaborative

We are stronger together and work as a cross-company team to overcome challenges; we recognise that overall company objectives outweigh individual or team objectives; we pursue our purpose by working in partnership with others.

Chair's message



And so another 12 months has passed and the COVID-19 crisis has been with us throughout, despite many who perhaps thought it would be 'over by summer'.

Writing this year's introduction

I am rather more optimistic than last year. The vaccination programme has been one of the few bright spots of the pandemic in the UK and appears to have made a decisive difference to hospitalisation rates. Additionally, Herts for Learning (HfL) has weathered the COVID storm better than any of us might have expected, of which more below and in the Managing Director's Overview ([page 6](#)).

Below, I have highlighted the changes to the HfL Board in the last 12 months, key areas of focus in that time and the agenda ahead of us.

We've had a busy 12 months (again) when it comes to changes at the Board. Firstly, we were sorry to lose Annemari Ottridge, our Vice-Chair, who stepped down after her first term as a Non-Executive Director (NED) due to a very busy agenda elsewhere. We are currently seeking a replacement for Jo Fisher, one of our Hertfordshire County Council (HCC) nominated NEDs, following her promotion to Director of Children's Services at HCC. Graham Lane formally left the Board after extending his tenure due to COVID delayed NED elections. We finally managed to run a successful NED elections process for his replacement and other primary and special phase Board members. As such, we are delighted to retain Natalie Knight-Wickens for a second term of office, as well as welcome three new school elected NEDs, Stephen Houlton-Allen, Cynthia Rowe and Lee Clarke. They each bring valuable skills and experience from both the special and primary phases and we look forward to benefitting from their insight. I extend my thanks to all those who have moved on from the HfL Board this year and to those who have made and continue to make the commitment to support us in the future.

During the last 12 months, the Board has focused on navigating the difficult environment COVID-19 has forced upon us, but crucially has also found time to reflect on our strategic direction, as well as the usual oversight role. As we began the year, our concern was on managing cash and reserves and resetting the budget in the context of COVID. We were unclear on how demand would hold up and had to redesign almost all of the services we offer. As we look back, the performance of the business has been far stronger than we could have expected, with the teams and our schools continuing to deliver and make use of the services. As a result, we end the year in a strong financial position, giving us confidence for any future investments. This is a phenomenal achievement of which everyone should be proud and my thanks go to all HfL staff for their hard work and continued commitment. While this delivery was happening, an extensive strategic review was kicked off by Andrew de Csilléry and working with the Executive and the Board we have now agreed a clear direction, deepening our presence in Hertfordshire and ensuring our offer is fit for all schools, whether academies or maintained, and focusing on the development of digital services that can be delivered nationally.

Moving forward, we will spend significant time implementing the strategic decisions we have made whether in the form of adding talent to the organisation, investing in new platforms or ensuring our products and services are relevant in a post-COVID world.

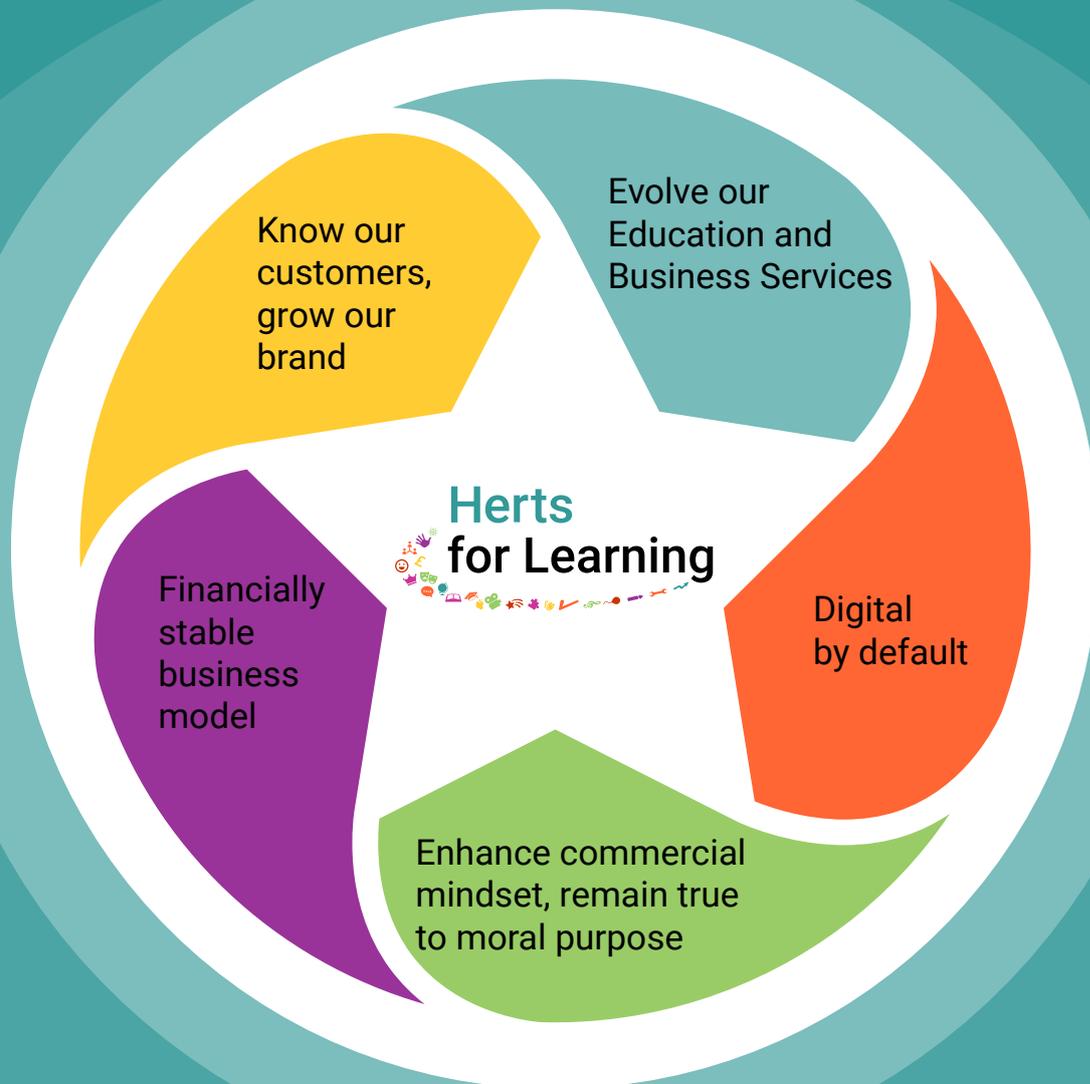
I continue to enjoy serving as the Chair of the Board for this business. The environment has been challenging this year but I feel we are well placed to take advantage of the post-COVID environment. Once again, I look forward to helping our team deliver to the best of their abilities during the coming years.

A handwritten signature in black ink, appearing to read 'Gavin Flynn'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Gavin Flynn

Chair of the Board

Our strategy



Our refreshed strategic plan continues to build on the success of Herts for Learning over the past eight 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.

Managing Director's overview



I write this overview at the end of sixteenth months of the COVID-19 pandemic, an event that has profoundly

changed all our lives, in many ways, and most significantly for the young people in the schools and settings that we support to deliver a great education.

I spoke last year of the pride I felt in the work we had delivered in the first four months of the pandemic. If possible, I am even prouder now of the work we have delivered throughout the pandemic, ensuring that our services and support have continued to evolve to meet the changing needs of all our stakeholders.

We have continued to work in very close partnership with Hertfordshire County Council (HCC) to help all schools and settings adapt to the demands of the crisis and the rapidly changing expectations of national Government. The continued remote delivery of many of our services has been welcomed by our customers, as has the return to face to face delivery, where it made sense and was safe to do so. I expect that this blended model of delivery will be the way forward now. There is no doubt that we have used the crisis well to accelerate and embed change consistent with our Strategic Plan.

Our financial results are impressive for such a disrupted period, with revenues declining by less than 4%, and tight control of costs allowing us to deliver a small profit at the end of the year, despite significant one off investments in new systems and our strategy review. The support of the Herts for Learning (HfL) Board was invaluable to ensure that these projects critical to the long term future of HfL were delivered, despite the pandemic.

We have also made public commitments to reducing our environmental impact and to becoming an anti-racist organisation, both of which are explored later in the report. There is a long way to go, but we have made a good start.

We finished the 2020-21 financial year in a far stronger position than we expected at the start of the year. Our refreshed strategy will see a renewed focus on Hertfordshire, whilst also developing a selected number of digital services that can be delivered on a national basis, ultimately to the benefit of Hertfordshire stakeholders. Our reserves provide us with the funds to invest in our strategic development as well as in activities that cannot be delivered commercially but that benefit all of our shareholders. We will continue to invest in our staff to ensure that they have the training and tools to deliver in this new environment.

I would like to thank all HfL staff for the resilience and adaptability they have shown throughout the COVID-19 crisis. Like so many others, we have made the impossible possible and we have shown great creativity as we have addressed the challenges we have faced. Over and over again, I believe we have demonstrated and lived up to our values of trust, inspiration and collaboration.

As in previous years, I will close by recognising that our work would not be possible without the partnership between HfL, HCC, schools and settings across the county. I would like to thank you all for this partnership and the support you give us to improve continually our services for you.

Andrew de Csilléry
Managing Director

Results of the Shareholder Survey 2021

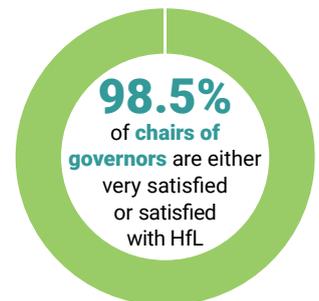


Total 362 responses
+35% more responses vs. 2019*

Headteachers 206 (40%) The percentage of shareholder schools

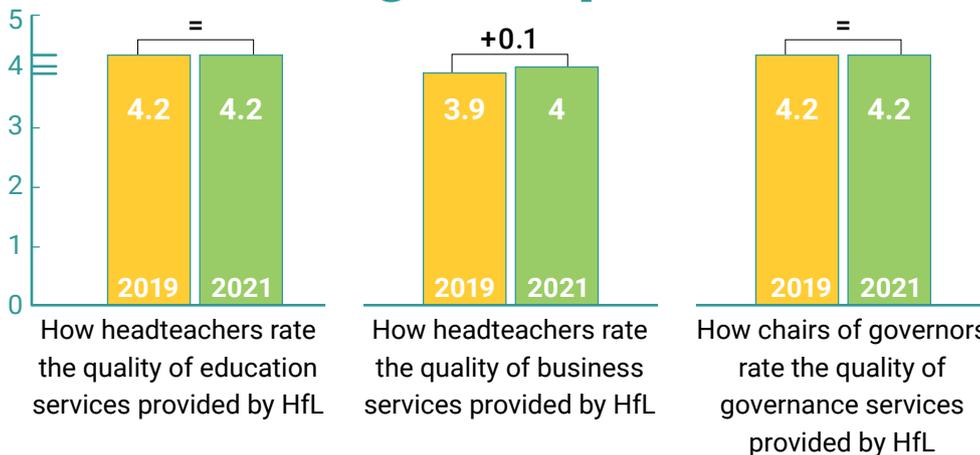
Chairs of Governors 156 (30%)

*the annual HfL shareholder survey did not run in 2020 due to the pandemic



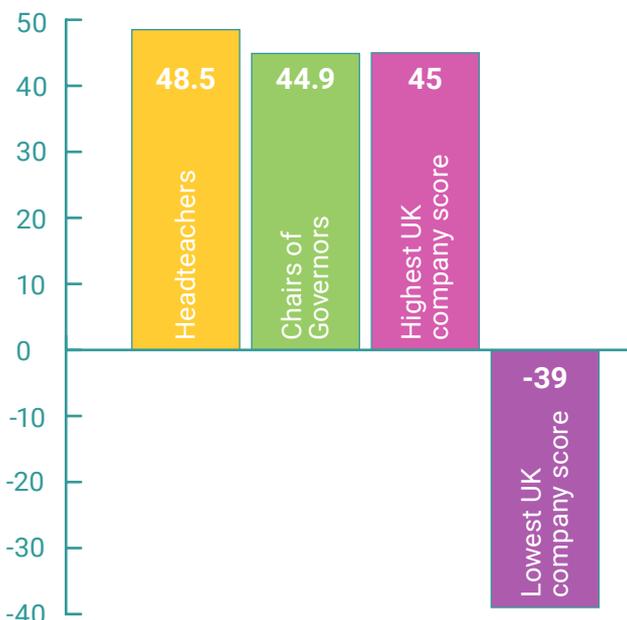
“I think the services that are provided are exceptional. They are a huge support to headteachers and schools and I would not want to look at a headship outside of Hertfordshire for these reasons!”
Simon England
Ashwell Primary School

Annual ratings comparison



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

Net promoter score (NPS)



The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.

It is used as a measure for gauging the customer's overall satisfaction with a company's products/services and the customer's loyalty to the brand.

(Source: Temkin Group Q1 2017 UK Consumer Benchmark Survey)

HfL support during the Covid-19 pandemic



Our Executive



Andrew de Csilléry
Managing Director



Rachel Macfarlane
Director of
Education Services



Catherine Tallis
Director of Business
Services



Andrew Griffiths
Chief Finance
Officer

The Executive team is currently being aligned with the strategy and further appointments to the Executive team will be made during 2021-22.

Financial overview 2020-21

Revenue £22.2m

Profit before tax £26k

Service provision was disrupted by the impact of the COVID-19 pandemic on our school customers' operations and the necessity for staff to work remotely. The rapid transition made by our staff and the support of our customer base for digital service delivery enabled us to report a stronger financial return than had been predicted at the onset of the pandemic. Revenue was down against budget and prior year, but not to the extent that had been anticipated at the outset of the pandemic. Full reported profits are down on last year due to an investment in a transformation programme, which included the implementation of a new ERP (Enterprise Resource Planning) solution during the year. This work was planned and budgeted, although the project spend came in below budget. The implementation of the new system will support the development of the business over the coming years, enabling us to protect our financial sustainability.

The HfL Board consider that the profit generated in the financial year was above expectations, with tight cost control offsetting some shortfalls in budgeted income resulting from the impact of COVID-19 disruption. The Company ended the year with a healthy cash balance in excess of £4.4m, and has total reserves in excess of £3.5m.

We are anticipating that our income will start to recover from the impact of COVID-19 in the coming financial year, and we are seeking to retain a blended service delivery model that will ensure we continue to deliver services digitally wherever that is possible. Our digital service delivery has been well received by our customers and, by maintaining digital delivery as we move forwards, we are able to remove a range of expenditure from our cost base. This in turn should enable us to make further investments in the business to continue to improve and adapt our services, and to subsidise work that cannot be delivered on a commercial basis, but is essential for schools and settings.

Board of Directors



Gavin Flynn
Chair of the Board



Andrew de Csilléry
Managing Director



Catherine Glickman
Chair of the Personnel &
Remuneration Committee



Natalie Knight-Wickens
Chair of the Audit
& Risk Committee



Lee Clarke



Beth Honor



Stephen Houtt-Allen



Faisal Mir



Nick Novak



Cynthia Rowe



Andrew Wellbeloved

[Profiles of the HfL Directors](#)

Our Board of Directors

During the year 1 April 2020 to 31 March 2021, five planned meetings and two extraordinary meetings, due to the COVID-19 pandemic, of the HfL 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 below. 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.

Due to the unprecedented circumstances of the COVID-19 pandemic, the terms of office for two primary phase elected non-executive directors (NEDs), Natalie Knight-Wickens and Graham Lane, were extended by six months. Having regard to their Directors' duties under s.172 of the Companies Act 2006, the Board agreed at their meeting on 25 March 2020 that it was not feasible to hold primary phase NED elections at that time. Hertfordshire County Council, as our majority shareholder, were informed of this decision and confirmed their agreement to this in March 2020. HfL shareholding schools retrospectively ratified this decision at the AGM in September 2020.

The directors of the Board who were in office as from 1 April 2020 and up to the date of signing the financial statements on 23 June 2021 were as follows:

Director	Role	Date of appointment	Board meetings	P & R Committee meetings	A & R Committee meetings	AGM September 2020
Total number of meetings held in the year			7	4	4	1
Executive Director						
Andrew de Csilléry	Managing Director	10 February 2017	7 (7)	4 (4)	4 (4)	1 (1)
Non-executive directors						
Lee Clarke	Elected by Primary School phase	26 November 2020	2 (2)	-	3 (3)	-
Jo Fisher	HCC appointed	16 March 2020	5 (7)	4 (4)	-	0 (1)
Gavin Flynn	Chair of the Board. Board appointed	27 September 2018	7 (7)	-	-	1 (1)
Catherine Glickman	Chair of the Personnel and Remuneration Committee. Board appointed	27 September 2018	7 (7)	4 (4)	-	1 (1)
Beth Honnor	Elected by Secondary School phase	28 March 2019	7 (7)	3 (4)	-	1 (1)
Stephen Houlton-Allen	Elected by Special Schools and Alternative Provision Academies	26 November 2020	2 (2)	-	2 (3)	-
Natalie Knight-Wickens	Chair of the Audit and Risk Committee. Elected by Primary School phase	6 July 2017	6 (7)	-	3 (4)	1 (1)
Graham Lane	Elected by Primary School phase	11 June 2014	3 (5)	2 (3)	-	1 (1)
Faisal Mir	HCC appointed	11 September 2019	7 (7)	-	4 (4)	1 (1)
Nick Novak	Board appointed	26 March 2020	7 (7)	-	3 (4)	1 (1)
Annemari Ottridge	Elected by special schools and Alternative Provision Academies	29 November 2017	3 (5)	-	0 (1)	0 (1)
Cynthia Rowe	Elected by Primary School phase	26 November 2020	2 (2)	1 (1)	-	-
Andrew Wellbeloved	Elected by Secondary School phase	30 March 2016	7 (7)	3 (4)	-	1 (1)

Graham Lane stepped down from the Board on 25 November 2020, at the end of his extended second term of office.

Annemari Ottridge stepped down from the Board on 25 November 2020, at the end of her first term of office.

Board business

Herts for Learning Limited is a School Company, established under the School Companies Regulations 2002. Hertfordshire County Council (HCC) is the Supervisory Authority.

The Herts for Learning Board consists of the Company's Managing Director 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. Details about the roles and responsibilities of Board members and the Board structure and committees are available on the HfL website.

The Board reviews and agrees the overall strategy for the development of new products and services, including potential acquisitions and partnerships, at their annual Board Strategy Day.

At the Board Strategy meeting in July 2020, the Board agreed to undertake the work needed to review and refresh the vision and strategy for HfL for the next three to five years. The Board appointed the Centre for Education and Youth, in partnership with Chris Kirk Associates, to assist us with this work, to ensure that a wide range of external perspectives and data were included in the review, and to provide the Board with independent advice on the best way to continue to ensure that HfL meets the needs of all stakeholders in the medium to long term.

The Strategy Review took into account the changing needs of schools and settings, the impact of the COVID-19 crisis and the opportunities provided by the internal HfL Transformation Programme. As part of this work, we sought input and feedback from schools and settings to help shape the strategy.

Following approval at the February 2021 Board meeting of the recommendations arising from the Strategy Review, we are currently transitioning into the implementation phase of this work. The Centre for Education and Youth, in partnership with Chris Kirk Associates, have been engaged to support in areas where they have particular expertise that will help to accelerate our work. All other work will be pursued internally over the coming months and will be supported by a stakeholder engagement plan. Our work in Hertfordshire will remain at the heart of all we do, but work outside of the county will be more targeted and focused on services that can be delivered digitally on a national basis.

Over the past year the Board have focused on the impact of the COVID-19 pandemic on our business, our staff and our customers. Two Extraordinary Board meetings were held in May and June 2020, specifically to monitor the levels of impact and agree appropriate mitigating actions.

The Board also regularly reviews the Company's finances, business development strategy and Risk Register.

**The 2021
Annual General
Meeting (AGM)**

**Wednesday 29 September 2021
5:00PM - via Livestorm**

For further information please email:
board@hertsforlearning.co.uk

Personnel and Remuneration Committee

Chair's report

Year ended 31 March 2021



On behalf of the HfL Personnel and Remuneration (P&R) Committee, I am pleased to present its report for the year ended 31 March 2021.

Over the past year, the P&R Committee has continued to work closely alongside Kate Aspinwall, Head of Company HR, and the Executive team, to manage and monitor the impact of the COVID-19 pandemic on HfL colleagues, ensuring that the wellbeing of staff remained a priority during this challenging time.

The pandemic has fundamentally changed the way that staff work and a number of new initiatives have been introduced over the past year, to support these changes and the wellbeing and safety of colleagues, including:

- The setting-up of staff so they are able to work from home effectively, including the undertaking of risk assessments
- Ensuring that line managers maintained regular contact with all of their team members and that staff were aware of and had access to the Employee Assistance Programme
- Extensive trialling of 'Work from Anywhere' guidance
- The training of 16 staff to become certified Mental Health First Aiders, to support and signpost colleagues in times of crisis

The Committee continued to track progress of the HR People Strategy, ensuring the HR priorities were aligned to the changing needs of the business.

During the 2020 autumn term, the Committee oversaw the successful implementation of a new payroll and HR information system (HRIS), which has enabled simpler and easier access to data for both the Company HR team and all staff. We continue to support the Executive team and the Company HR team to maximise the full potential and benefits of the new system.

The P&R Committee has also overseen a number of key tasks during the past year, including:

- Planning for the potential impact of Brexit on the workforce
- The reorganisation of the Technology in Schools function
- The introduction of a new continuous performance development process (KEYs)
- The implementation and monitoring of a roadmap to ensure that HfL becomes an anti-racist organisation
- The engagement of staff in activities to reduce our carbon footprint
- The review and updating of Company HR related policies (e.g. Safeguarding Policy)

Looking to the future, the Committee will continue to support the Executive and the Company HR team on the wider Company Transformation Programme and the implementation of the new Strategic Plan.

Catherine Glickman

Catherine Glickman

Chair of the Personnel and Remuneration Committee

Audit and Risk Committee

Chair's report

Year ended 31 March 2021



On behalf of the HfL Audit and Risk (A&R) Committee, I am pleased to present its report for the year ended 31 March 2021.

The key purpose 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. It exercises oversight of financial controls and reviews financial statements and other significant documents, prior to approval by the Board. The Committee also reviews the scope of, and outputs from, the external annual audit.

Over the past year, the A&R Committee has worked closely with the Chief Finance Officer, Andrew Griffiths, and the Executive team, to monitor the impact of the COVID-19 pandemic on the business, ensuring that the Company remained financially stable and that associated risks were being managed robustly. The Committee monitored the 2020-21 budget on a rolling basis, taking into consideration extensive financial modelling for the potential financial impact of the pandemic.

While the Board retains ultimate responsibility for risk management, the Committee oversees the

overall effectiveness of risk management within the business, and reviews any key current and emerging risks, together with the associated controls and mitigating factors, at each meeting.

During the 2020 autumn term, the Committee oversaw the successful implementation of a new finance system (NetSuite), which has helped to simplify internal processes, whilst providing more comprehensive financial data to both the Company Finance team and all staff. We continue to support the Executive team and the Company Finance team to fully exploit the functionality that NetSuite offers.

The A&R Committee has seen some changes in membership during the year. All 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 HfL Executive team during this very challenging time.

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 HfL Audit and Risk Committee

Our commitment to CSR and reducing our carbon footprint



Given Herts for Learning's (HfL) commitment to achieving positive long-term outcomes for children, it is hardly surprising that the organisation is determined to reduce its environmental impact as a key component of its corporate social responsibility.

The HfL Board has committed the Company to achieving carbon neutrality by 2030 at the latest and to offsetting its emissions in the intervening period. Working with an independent auditor, HfL has verified its carbon footprint for 2019-20 as being 395 tonnes of CO₂e and has entered into a partnership with established Scottish conservation charity "Trees for Life" to offset these emissions through the planting of trees as part of a major rewilding project in the Scottish Highlands.

By consolidating the shift to remote delivery of training resulting from the pandemic, reducing the use of office space, minimising non-essential travel and supporting staff in mitigating their own environmental impact, HfL will continue to reduce its emissions in future years. Our estimated emissions for 2021-22 is approximately 280 tonnes of CO₂e, a reduction of almost 30% compared to 2019-20, which is in line with our initial target.

While it is important for HfL to take a leadership position in minimising its own carbon footprint, there is an even bigger opportunity for the organisation to work with Hertfordshire County Council (HCC) to support environmental initiatives with the county's schools that account for around half of HCC's total emissions. Building on an earlier programme of work HfL, in partnership with HCC, is providing a series of blogs, podcasts, videos, resources and activities to support schools on their sustainability journey. Feedback from schools to date has been overwhelmingly positive and further initiatives are planned. Through sharing best practice among schools and settings and providing schools with information and resources, HfL can amplify its impact and make an even greater contribution in support of the environment.

Our commitment to race equality

Following the murder of George Floyd in May 2020, Herts for Learning (HfL) was inspired by the global rise of the Black Lives Matter movement. Supported and advised by a newly formed HfL BAME Forum for colleagues of colour, the Executive crafted a statement of intention that pledged commitment to an anti-racist agenda. This links to the HfL core purpose and the belief that **“every young person... should be able to reach their potential...”**

It states that **“...we acknowledge that systemic racism is a problem that must be addressed everywhere. We have a duty to face up to the difficult conversations that ultimately result in the lifting of Black, Asian and Minority Ethnic (BAME) voices.”**

We know that in Britain, Black children are more likely to experience poverty, have poorer education outcomes, be excluded from school, and come into contact with the criminal justice system. They are less likely to access the care they need if they are struggling with mental health problems, and Black children are more likely to act as carers for family members.

We refuse to fail to learn.

A statement of intent, however strong, cannot stand alone or sit as hollow words: it must lead to action. In the past 12 months, colleagues at HfL have been striving to further race equality on two fronts: within the organisation and within schools and settings.

Inward facing: Anti-Racism action in HfL

- The HfL BAME forum has been supported and facilitated, with all colleagues of colour invited to attend
- Links were made with the HCC BAME staff group to share experiences and action
- In June 2020, HfL invited Pragya Agarwal, author of *Sway*, to lead training for all staff in unconscious bias



Our commitment to race equality

- Anonymised applications were introduced by the company HR team, to minimise the impact of unconscious bias when recruiting to HfL
 - A commitment was made that all colleagues would set themselves an anti-racism target as one of their performance development goals. Training was provided and goals set in May/June 2021
 - We delivered training to the Education Services Team and the Business Services Team on systemic racism in the UK education system, white privilege and white fragility
 - The BAME forum presented lived experiences testimony at the 2021 HfL annual staff conference, to further staff understanding of the impact of racism and the power for white privilege.
- Outward facing: Anti-racism action to support schools and settings**
- The HfL Wellbeing team has updated, promoted and delivered training for school staff and governors on unconscious bias, equalities duties, addressing racist incidents, prejudice and stereotypes, becoming an anti-racist school and designing an anti-racist curriculum
 - Race Equality visits have been piloted, and audit tools developed, at secondary schools
 - The Early Years team has delivered Diversity and Equalities training and consultancy
 - HfL has supported a newly formed primary staff BAME forum and BAME allies forum, led by Cynthia Rowe (Headteacher at How Wood School and member of the HfL Board)
 - With funding from HCC, we have recruited a Race Equality Adviser from September 2021, who will design and deliver training for school, conduct consultancy work and design a bank of resources and materials with great BAME representation for teachers to use across all subjects and phases
 - HfL has delivered training to headteachers and governors via two twilight webinars on systemic racism in the UK education system, white privilege and white fragility
 - A new leadership programme, Great Representation, will launch in September 2021, building on the lessons and experience of our more general Great Expectations programme run over the past three years, but focusing on great examples of anti-racism work in schools.

