



Department
for Education

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Date: 4 July 2025

Mr. Richard Carleton
Chair of Trustees
Langley Hall Primary Academy Trust
Langley Hall
Station Road
Langley
Slough SL3 8GW

Company Number: 07463031

By email: [REDACTED]

Dear Mr Carleton

Notice to improve: LANGLEY HALL PRIMARY ACADEMY TRUST

We are writing to you in your capacity as the Chair of **Langley Hall Primary Academy Trust** (the Trust), to inform you that the Department for Education (the Department) has assessed that the Trust's breaches of the Academy Trust Handbook (ATH) relating to financial management and governance are significant enough to warrant a Notice to Improve. On that basis, we are issuing the Trust with a Notice to Improve on financial grounds. We understand that this decision may be disappointing and want to assure you that we will work with you in supporting the trust in taking positive action to meet the conditions as set out in the Notice to Improve.

As you are aware, Schools Financial Support and Oversight (SFSO) and Regions Group colleagues met with the trust recently to discuss its financial position. On review of the information provided by the Trust prior to and following that meeting, our concerns remain in relation to the weak financial position, financial management and governance at the Trust. The Trust has breached the Academy Trust Handbook and its Funding Agreement over consecutive years and has not remedied the breaches despite opportunities to address them. The breaches we are most concerned about are set out below.

The Trust's failure to address the cumulative deficit in revenue reserves over successive financial years led to a statement in the 2022/23 and 2023/24 financial statements expressing significant uncertainty of the Trust's ability to continue as a going concern. It

noted the failure of the Trustees to act to address the deficit position and mitigate the risk to the trust indicating inadequate financial management and governance.

2023/24 Financial Statements - Strategic report, Going Concern

“While the board of trustees has conducted due diligence and made appropriate enquiries, a significant uncertainty remains regarding the academy trust’s ability to continue as a going concern for the foreseeable future. This uncertainty has been factored into the preparation of the financial statements, which are presented on a going concern basis as required by accounting standards...”

Despite having negative free reserves brought forward at 1 September 2023 of £602,102 [SFSO note - £313,370 deficit in revenue reserves], the Trustees have not taken appropriate steps to mitigate this. Reports presented through management accounts throughout the year clearly showed this, and no plan was put in place to reverse the negative trend that continued throughout the 2023/24 year. At the year ended 31 August 2024, the Trust had negative free reserves of £378,745.”

2022/23 Financial Statements - Strategic report, Going Concern

“While the board of trustees has conducted due diligence and made appropriate enquiries, a significant uncertainty remains regarding the academy trust’s ability to continue as a going concern for the foreseeable future. This uncertainty has been factored into the preparation of the financial statements, which are presented on a going concern basis as required by accounting standards.”

Despite having negative free reserves brought forward at 1 September 2022 of £201,176, the Trustees have not taken appropriate steps to mitigate this. Reports presented through management accounts throughout the year clearly showed this, and no plan was put in place to reverse the negative trend that continued throughout the 2022/23 year. At the year ended 31 August 2023, the Trust had negative free reserves of £313,370. Budgets prepared for the Year Ended 31 August 2024 do show a surplus of £100,068. This lack of financial oversight is a breach of the Academy Trust Handbook 2022.”

This is a breach of Paragraph 2.8 of the Academy Trust Handbook which clearly states:

2.8 The board of trustees must:

- *ensure that financial plans are prepared and monitored, satisfying itself that the trust remains a going concern and financially sustainable*
- *take a longer term view of the trust’s financial plans consistent with the requirement to submit three-year budget forecasts to ESFA*
- *set a policy for holding reserves, and explain it in its annual report, including a clear plan for managing reserves.*

The trust further breached the ATH when setting its budget for 2022/23 and 2023/24 and submitting its Budget Forecast return.

The ATH (2.9 – 2.20) sets out the requirements that a trust must follow when setting and submitting a budget to the ESFA and monitoring the budget. In particular:

Paragraph 2.9 – The board of trustees, and any separate committee responsible for finance, must ensure rigour and scrutiny in budget management.

Paragraph 2.11 - The board must ensure budget forecasts for the current year and beyond are compiled accurately, based on realistic assumptions, including any provision being made to sustain capital assets, and reflect lessons learned from previous years.

Paragraph 2.17 - The board of trustees must notify ESFA within 14 calendar days of its meeting, if proposing to set a deficit revenue budget for the current financial year, which it cannot address after taking into account unspent funds from previous years, as this would be non-compliant with the funding agreement and this handbook.

2.20 The board must ensure appropriate and timely action is being taken to maintain financial viability, including addressing variances between the budget and actual income and expenditure.

The trust was, at the point of approving the budgets in each of these years, in a cumulative deficit position and the forecast in-year surplus was not sufficient to return the trust to a positive position. As such the board of trustees was required to notify the ESFA of that fact and failed to do so. Furthermore, the budgets as approved by the board, do not appear to have been compiled accurately or based on realistic assumptions, given the large variance between forecast and actual in-year performance.

Additionally, the Budget Forecast Returns submitted by the trust in summer 2023 and 2024 were inaccurate and did not reflect the financial position of the trust with regard for past, current and future years in respect of revenue reserves, or in-year and future year forecasts as set out in the budget and forecasts agreed by the board.

The budgets themselves were not adequately monitored in each of these years as the actual in-year surplus forecast achieved for 2022/23 and 2023/24 varied greatly from that forecast, increasing the cumulative deficit year on year, indicating a failure to act to maintain financial viability.

The final breach, about which we are most concerned, relates to related party transactions (RPTs), specifically the failure in successive financial statements to disclose all related party transactions. We are aware of significant related party transactions between Langley Hall Primary Academy Trust and Langley Hall Arts Academy, an independent secondary school, which have not been disclosed since Langley Hall Arts Academy opened in September 2022 despite it using trust assets, having staff in common, and occupying buildings leased by Langley Hall Primary Academy Trust. The requirements for trusts in relation to Related Party Transactions are covered in the ATH (Paragraphs 5.35 – 5.55). The trust has breached the following requirements:

5.38 The board of trustees must ensure requirements for managing related party transactions are applied across the trust. The board chair and the accounting officer must ensure their capacity to control and influence does not conflict with these requirements. They must manage personal relationships with related parties to avoid both real and perceived conflicts of interest, promoting integrity and openness in accordance with The 7 principles of public life.

5.40 The trust must keep sufficient records, and make sufficient disclosures in their accounts, to show that transactions with these parties, and all other related parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector.

This letter and its annexes serve as a written Notice to Improve financial management at the Trust (Notice to Improve or “the Notice”). It reflects the weak financial position of the Trust and continued concerns on governance and oversight of financial management by the Board as well as the failure to disclose related party transactions.

The Trust is required, pursuant to the provisions of the ATH and the Funding Agreement (FA), to comply with the terms of this Notice. These terms are set out in Annex A and Annex B.

Being issued with a Notice means that certain delegated authorities, as defined in the ATH, are revoked. All transactions previously covered by these delegations, regardless of their size, must now be approved in advance by the department, specifically:

- special staff severance payments
- compensation payments
- writing off debts and losses
- entering into guarantees, indemnities or letters of comfort
- disposals of fixed assets beyond any limit in the funding agreement
- taking up a leasehold or tenancy agreement on land and buildings of a duration beyond any limit in the Trust’s funding agreement
- carry forward of unspent GAG from one year to the next beyond any limit in the funding agreement
- pooling of GAG

If the Trust seeks retrospective approval from the department this will be deemed a breach of the ATH. Further details of the approval process will be forwarded to the Trust’s Accounting Officer upon acknowledgment of receipt of this letter. These delegated authorities shall be returned to the Trust once we are satisfied that the requirements of the Notice have been, and will continue to be, complied with to the satisfaction of the Secretary of State.

The department will monitor progress made towards meeting the requirements of this Notice and will keep us updated through regular case reviews. A decision to lift the Notice will be taken when we are satisfied the requirements set out in the Annexes have been met in full.

We will support the Trust as it implements the required changes through regular contact and clear routes of escalation to resolve any questions or queries you might have. However, if the Trust is unable to deliver the necessary improvement and fails to make sufficient progress against the original conditions, we reserve the right to issue a revised Notice and add further specific conditions. Should it become evident that the Trust is unlikely to fulfil the conditions and / or requirements set out in this Notice and / or within the agreed timescales, we will explore the contractual intervention options available.

In the event that the Trust fails to meet the requirements of this Notice to our satisfaction, it will be considered to have failed to comply with the terms of the ATH. Failure to comply will be deemed a funding agreement breach and may lead to termination.

If continued non-compliance with the ATH occurs, we may also refer the case to the Charity Commission and/or Insolvency Service for further investigation, as deemed appropriate in the circumstances.

We should be grateful if you would acknowledge receipt of this letter by email within three working days of the date of this letter to [REDACTED], who will be your main point of contact related to this Notice to Improve. In line with the requirements set out in our publishing policy, the Trust has 10 working days to offer any final comments on factual accuracy to DfE colleagues before publication. The Trust is required to publish the Notice on its website within 14 days of it being published on gov.uk and retain it there until the Notice is lifted.

We recognise that this may be an uncertain time for the Trust and its staff. We are mindful of creating additional pressures on individuals involved. Therefore, we ask the Trust to ensure appropriate provision is in place to support all its staff, as necessary. You may find the Education staff wellbeing charter (<https://www.gov.uk/guidance/education-staff-wellbeing-charter>) helpful.

We will continue to keep clear and regular lines of communication open with you. As such, [REDACTED], will be in contact shortly to answer any questions you may have, and to discuss the next steps in more detail including any support the Trust may require to drive the necessary improvements.

We look forward to hearing from you.

Yours sincerely



Dame Kate Dethridge
Regional Director for South East, Department for Education



Lindsey Henning
Director, Schools Financial Support & Oversight, Regions Group, Department for Education

CC. Sally Eaton, Accounting Officer
Members: Baroness Peta Buscombe, John Peter Halsey, Vinod Mahi, Kate Marnoch, Sarah Counter

LANGLEY HALL PRIMARY ACADEMY TRUST

Annex A

Notice to Improve

This Notice to Improve (the 'Notice') is a consequence of **LANGLEY HALL PRIMARY ACADEMY TRUST** (the 'Trust')

- *Failing to ensure that financial plans are prepared and monitored, satisfying itself that the trust remains a going concern and financially sustainable. Not addressing the cumulative deficit in revenue reserves over successive financial years leading to a significant uncertainty of the Trust's ability to continue as a going concern as required in the Academy Trust Handbook (ATH) paragraph 2.8*
- *Failing to ensure rigour and scrutiny in budget management as required in the ATH paragraph 2.9*
- *Failing to ensure budget forecasts are compiled accurately, based on realistic assumptions including any provision being made to sustain capital assets, and reflect lessons learned from previous years as required in the ATH paragraph 2.11.*
- *Failing to notify the ESFA when setting a deficit revenue budget which could not be addressed after taking into account reserves from previous years as required in the ATH paragraph 2.17.*
- *Failing to take appropriate and timely action to maintain financial viability, including addressing variances between the budget and actual income and expenditure as required in the ATH paragraph 2.20.*
- *Failing to disclose transactions with third parties in the accounts and to show that transactions with these parties, and all other related parties, have been conducted in accordance with the high standards of accountability and transparency required within the public sector as required in the ATH paragraph 4.40.*

Conditions

1. The Trust is required to comply with all of the conditions set out in Annex B.

Financial management and governance requirements

2. The Trust is responsible for its own financial management, control and governance and is expected to take appropriate action to strengthen the weaknesses identified and return to compliance with the ATH.
3. The Trust should take all appropriate actions to ensure the action plan agreed with the department is fully implemented.
4. The department must be satisfied that the Trust is doing everything it can to rectify the weaknesses identified.

Monitoring and progress

5. The Trust is required to submit the evidence for the specific conditions to the timescales outlined in Annex B to enable the department to monitor compliance and progress.
6. Should it become evident that the Trust is unlikely to fulfil the conditions and / or requirements set out in this Notice and / or within the given timescales, the department will begin to consider and explore the contractual intervention options available.

Compliance and the end of the notice period

7. As outlined in Annex B, the Trust is required to submit evidence to demonstrate compliance with the conditions of this notice, which the department will use to monitor the Trust's progress. Annex B sets out the detail of the evidence required to fulfil the condition and the timescales to submit this evidence to the department.
8. The Department will carry out a review of progress made when the reforecast is submitted per condition 2.3 in Annex B (expected end January 2026).
9. When the Trust meets all the conditions outlined in this Notice, is fully compliant with the most recent edition of the ATH and no other breaches have been identified, we will write to the Trust to confirm that the Notice has been lifted.

Annex B

LANGLEY HALL PRIMARY ACADEMY TRUST

Table of conditions

The table below summarises the conditions that have been placed upon **Langley Hall Primary Academy Trust** ("the Trust"). It sets out the evidence the Trust must provide, and the timescales the Trust must meet, to show that they have complied with the Notice to Improve ("the Notice"). All conditions set out in the table must be met before the Notice can be lifted.

Condition	Evidence required to show compliance with the notice	Timescale
1. The Trust must submit a detailed financial recovery plan using the department's template showing how they will return the trust to financial viability. This recovery plan must incorporate recommendations from the SRMA report.	A completed, fully detailed financial recovery plan in the DfE's requested format which incorporates SRMA recommendations and returns trust to cumulative surplus.	Within six weeks of receipt of SRMA report.

<p>2. The Trust is required to:</p> <ol style="list-style-type: none"> 1. Comply with the funding agreement requirement to submit all audited reports, accounts and statements to the Department for Education on time and without qualification. 2. Submit an accurate Academies budget forecast return (BFR) by the deadline required. 3. Submit two budget reforecasts to the DfE in-year 	<p>DfE receives the Trust's audited financial statements by 31 December, each year until the Ntl is lifted.</p> <p>DfE receives the Trust's BFR by 31 August, each year until Ntl is lifted.</p> <p>Full reforecast at end January and end May of each year until the Ntl is lifted.</p>	<p>Submit audited reports, accounts, and statements by 31 December 2025, and each year thereafter until the Ntl is lifted.</p> <p>Submit BFR by 31 August 2025 as required under the ATH.</p> <p>Reforecasting in-year of budget at 5 months (at 31 January) and 9 months (at 31 May), each year until the Ntl is lifted. Reforecasts due by 30 January and 29 May 2026 and each year thereafter until Ntl is lifted.</p>
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<p>3. We will expect the trust to supply the following financial information on a monthly basis for a period of 12 months from agreement of the plan. The frequency of reports thereafter will be determined by the DfE, based on progress against the Trust financial plan:</p> <ol style="list-style-type: none"> 1. Revenue income and expenditure report with a narrative explaining any significant variances for the current full academic year. Income and expenditure classifications in this report should follow those in the Trust financial plan. The income and expenditure report must include year to date budget, actuals and variance and full year budget, forecast outturn to year end and variances. 2. A balance sheet showing the position at the end of the last calendar month and forecast to the end of the academic year; and 3. A detailed monthly cash flow forecast rolling 12 months ahead and showing six months of actuals. 4. A detailed aged creditors report. 5. A detailed aged debtors report. 6. Bank statements for all trust bank accounts. 	<p>Trust submits the required information to DfE on time for a period of 12 months from agreement of the financial plan. The frequency of reports thereafter will be determined by the DfE, based on progress.</p>	<p>The management reports must be submitted to the DfE monthly by the 15th of each month, or the following business day where this falls on a weekend or bank holiday for a period of 12 months from agreement of the financial plan. The frequency of reports thereafter will be determined by the DfE based on progress against the Trust financial plan.</p>
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4. The Trust is required to ensure its annual report and accounts are prepared in line with the Charity Commission's Statement of Recommended Practice (SORP) and ESFA's Accounts Direction.	Annual accounts that are fully compliant with the SORP and Academy Accounts Direction.	Ongoing as per requirement of ATH.
5. The Trust requests approval from ESFA, in advance, for any actions under the revoked freedoms in paragraph 6.18 of the ATH 2024. These requests should be sent using the DfE Customer Help Portal . Retrospective approval will be deemed as a breach of the ATH.	The Trust must submit a request for approval for any actions relating to the delegated freedom revoked under the terms of the Ntl.	Until the Ntl is lifted.
6. All Related Party Transactions must be pre-approved by the DfE.	Approval for all RPTs received before transaction takes place. Any transactions requiring retrospective approval would count as a breach of this condition.	For the full term of the Ntl and as required under the ATH
<p>7. The Trust ensures all debtors, and specifically those in relation to lettings, leases and licenses held on their buildings are pursued.</p> <p>1. The Trust takes reasonable steps to ensure payments due for rent and pool and room hire are received on a consistent and regular basis.</p> <p>2. The Trust ensures that room hire and licensing fees are reviewed at least every two years and are set at an appropriate rate in line with costs.</p>	<p>Minutes of board or committee meeting addressing bad debt and discussing actions taken to recover debts.</p> <p>Bank statements evidencing receipt of outstanding amounts owed for amenities and rent per agreed dates.</p> <p>Minutes of finance or board committee meeting evidencing the review of letting, licensing and room hire costs.</p>	<p>Within 3 months of NTI being issued.</p> <p>In line with payment agreements for any outstanding amounts and then on an ongoing weekly, monthly basis as appropriate</p> <p>Initial review by end June 2026, and then every two years until Ntl is lifted.</p>

<p>8. The trust must provide the DfE with its latest internal audit findings (full reports) for 2023/24 and 2024/25.</p> <p>1. The trust must use an independent auditor for its 2025/26 internal audit and provide the full and summary reports and table of actions to the DfE.</p>	<p>Internal audit reports and findings and narrative/ table of actions for 2023/24 and reports to date for 2024/25.</p> <p>Summary report to follow for 2024/25 to follow when available.</p> <p>Independent Auditor reports and summary report/ table of actions for 2025/26.</p>	<p>By 31 July 2025</p> <p>By 30 October 2025</p> <p>Within 2 weeks of report from auditor.</p>
<p>9. Undertake a Schools Resource Management Adviser (SRMA) deployment and the trust must comply with all recommendations for improvements identified by an SRMA.</p>	<p>Following the deployment, the trust must produce an action plan on how they intend to implement appropriate recommendations identified by the SRMA.</p>	<p>SRMA deployment to be completed by 7th November 2026. Action plan to be submitted within 6 weeks of the completion of the SRMA deployment and with recommendations to be implemented reflected in the recovery plan in condition 1.</p> <p>Progress updates on the recommendations being implemented to be submitted monthly, for the duration of the Notice.</p>
<p>10. The trust must undertake an External Review of Governance, with an advisor to be appointed by the DfE.</p>	<p>The trust must appoint the individual/s recommended by the DfE and engage with them on a full review of governance.</p>	<p>Confirmation of the advisor must be made within 3 months of receiving the notice to improve.</p>