



haysmacintyre
chartered accountants & tax advisers

INDEPENDENT SCHOOLS'
CONFERENCE 2017

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INTRODUCTION

I am delighted to provide you with the slides and content from **haysmacintyre's** 24th Annual Independent Schools' Conference.

Our programme was varied and well received by the 130 schools' governors, headteachers and bursars in attendance.

We were honoured to have **Richard Harman**, the new General Secretary of AGBIS, provide the key note address on 'The Big Leadership Challenges' facing the sector. **Tony Gee** presented for Pen Test Partners, with the session chaired by **Simon Bulleyment**, Director of haysmacintyre IT Consultants Limited, who often partners with Tony and his colleagues when carrying out IT security reviews for schools. We welcomed back conference stalwart **Professor Joe Nellis** of Cranfield School of Management who this year presented his Outlook for the UK economy and its impact on independent schools. **Simon Noakes**, Founder and CEO of Interactive Schools concluded the conference with a session on how technology will impact the lives of schools, our pupils and ourselves in the future.

New in 2017, we offered delegates an additional session on the salary sacrifice developments currently impacting schools. The slides to this session, delivered by Nick Bustin, haysmacintyre Employment Tax Director, are also included in this document.

Finally, I have provided the conference feedback form for those of you have not completed it as yet.

Thank you for supporting the conference. I look forward to seeing you at next year's event; the date and venue to be announced soon.

Kind regards



David Sewell

Partner, Head of Schools Group, haysmacintyre



EVENT SCHEDULE

09:30 Registration and refreshments

10:00 Welcome

David Sewell, Partner, Head of Schools Group,
haysmacintyre

10:15 Keynote address: The big leadership challenges

Speaker: Richard Harman, General Secretary, AGBIS

Chair: David Sewell, haysmacintyre

11:40 Stealing your fees: hacking isn't on the curriculum, but are hackers on your network?

Speaker: Tony Gee, Senior Consultant, Pen Test Partners LLP

Chair: Simon Bulleyment, Director, haysmacintyre IT
Consultants Limited (HMITC)

13:45 Outlook for the UK economy

Speaker: Joe Nellis, Deputy Director, Cranfield School of
Management

Chair: Tracey Young, Partner, haysmacintyre

14:40 The #FutureSchool: evolution or transformation?

Speaker: Simon Noakes, Founder and CEO, Interactive
Schools

Chair: Sam Coutinho, Partner, haysmacintyre

15:35 Closing remarks

David Sewell, haysmacintyre

15:55 Salary sacrifice presentation

Nick Bustin, Employment Tax Director, haysmacintyre



DAVID SEWELL

PARNTER, HEAD OF SCHOOLS GROUP
HAYSMACINTYRE



CLICK VIDEO TO PLAY

David Sewell is a Chartered Accountant who has been working with independent schools for over 25 years. As well as heading up haysmacintyre's education team, David provides audit and advisory services to independent schools, several of their associations, some academies, a number of religious organisations and a variety of other charities.

David addresses boards of governors and trustees on governance issues such as financial planning and monitoring, providing assistance with financial modelling and benchmarking, and advises on other financial governance issues. David also coordinates our specialist services such as employment taxes, commercial trading and VAT. He is a governor of an independent boarding school, a Freeman of the Tallow Chandlers and a volunteer for a medical relief charity.

RICHARD HARMAN

GENERAL SECRETARY, AGBIS



CLICK VIDEO TO PLAY

Richard Harman was educated at The King's School, Worcester, followed by Trinity College, Cambridge, where he read English.

Having spent two years working for an academic publisher, he decided his real vocation was in teaching. After five years at Marlborough College teaching English and Drama, during which time he also completed his PGCE at Exeter University, he spent 12 years at Eastbourne College.

Progressing from Head of English to Housemaster of a Sixth Form girls' house to member of the Senior Management Team, he then became Headmaster of Aldenham in September 2000 and thence to Uppingham in 2006.

After a decade leading Uppingham and 32 years overall in teaching, he embarked on a third career as General Secretary of AGBIS. Richard is much enjoying the challenges at AGBIS, having been Chairman of the Boarding Schools' Association for 2011-12 and Chairman of HMC for 2014-15.

TONY GEE

SENIOR CONSULTANT, PEN TEST PARTNERS LLP



CLICK VIDEO TO PLAY

Tony Gee has been working in IT security for over eight years both as a security consultant at Friends Life and more recently for the technology provider for the world leading Oyster system in London.

Tony speaks widely on computer security and security awareness and takes pleasure in helping staff understand the risks to their online presence and how to respond to the threats to better protect themselves, their family and the business.

JOE NELLIS

PROFESSOR OF GLOBAL ECONOMY POLICY, SUSTAINABILITY AND PERFORMANCE, CRANFIELD SCHOOL OF MANAGEMENT



Professor Joe Nellis specialises in global macroeconomics, business environmental analysis, strategic thinking and management development.

He teaches across the full range of Cranfield School of Management's portfolio including the Full-time and Executive MBA, General and Customised Management programmes. He is also Director of the Policy, Sustainability & Performance Academic Community within the School. He is the longest serving member of the School of Management's Executive Board. From 1st January 2014 until 31st January 2015 he served as Director of Cranfield School of Management. Joe also holds Visiting Professorial appointments at various universities in Germany, Belgium, Austria, the Netherlands, Hungary and Ghana.

Joe has published 18 research and subject-based books and over 200 academic and practitioner journal articles. His research encompasses analysis of business developments in a changing world in terms of the macroeconomy, the role of government, the impact of technology, societal and demographic trends. He is a frequent contributor to a wide range of national and international conferences and is a consultant to a number of UK and international companies in the areas of strategy and business environmental analysis, strategy formulation and management development. He has also acted as a consultant to several central government departments and public sector organisations.

SIMON NOAKES

FOUNDER AND CEO, INTERACTIVE SCHOOLS



Global speaker on the #FutureSchool, social media, schools marketing and founder @interSchools. Digital comms geek, strategic tech incubator, creative wannabe, 80's music playlister!

A father of four, Simon Noakes is at the cutting edge of marketing and communications within the international education sector. He is an expert in strategic marketing, thought leadership, social media, brand value and innovative thinking.

Simon does not follow benchmarks. Success can only be delivered through creating new benchmarks and #inspiringschools. He believes that every school is unique and wants to help tell their #SchoolStories.

Simon continues to be a beacon in the implementation of effective marketing strategies and has been credited with increasing engagement and brand reach of some of the world's leading independent schools.

Simon is a regular speaker and contributor on the subject of digital marketing, social media and mobile apps - and is the key driver in the #FutureSchool.

Our kids will be doing jobs that don't exist. Are you preparing them?

Salary Sacrifice

Nick Bustin, Employment Tax Director, haysmacintyre



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Charity Financials' league table



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Salary sacrifice and school fee arrangements update

1 February 2017

What are we going to cover?

- Background
- Consultation
- Favourable benefits
- School fees
- Transitional rules
- Next steps for the School to consider
- Points to consider for the employee

Background

- Salary sacrifice has been used as a way to provide benefits to employees in exchange for them foregoing part of their salary
- It represented a variation in the terms and conditions of employment
- Savings of tax but mainly National Insurance (“NI”) were obtained
- The Government expressed a concern about the growing use of salary sacrifice arrangements

Consultation

- Optional remuneration arrangements (“OpRA”) will be based upon the greater of:
 - Salary sacrificed;
 - Cost to the employer in providing the benefit
- Provide a “level” playing field and curtail the use of salary sacrifice
- Protection for “favourable” benefits
- Draft legislation included within FB 2017 published on 5 December 2016 which has been the subject of further consultation

Favourable benefits

- The following employer provided benefits are outside the scope of OpRA:
 - Pension contributions
 - Pension advice
 - Childcare
 - Cycle to work
 - Ultra low emission cars
- Employers can proceed with a degree of certainty

School fees

- What is the impact upon school fee salary sacrifice arrangements?
- Based upon the current draft legislation:
 - When will the tax and NI advantages cease?
 - What transitional rules will be introduced?
 - What action do schools need to be considering?
- Thoughts arising from subsequent discussions with HMRC

What the legislation says

- From 6 April 2017 OpRA will no longer benefit from the tax favourable treatment
- Where a benefit is provided via a salary sacrifice the tax charge will be based upon the greater of:
 - The salary sacrificed; or
 - The cost to the employer in providing the benefit
- Transitional rules are proposed where an arrangement is in place before 6 April 2017

Transitional rules

- The transitional provisions will extend the use of salary sacrifice for all benefits where the employee has entered into an arrangement before 5 April 2017 until 5 April 2018
- Except for school fees, living accommodation and cars where the transitional period is extended to 5 April 2021 or where earlier:
 - The arrangement comes to an end; or
 - There is a change to the arrangement; or
 - Modification to the arrangement; or
 - Renewal of the contract

Discussions with HMRC

- haysmacintyre attended a meeting with HMRC Employment Tax Policy on 19 January
- Potentially the legislation will be revised to:
 - Ensure the full transitional period will be achieved
 - Not treat an increase in salary or school fees as a variation as determined by the transitional rules
 - Similar, where an employee is promoted and provided with a new contract, this will not be considered a variation
- Consideration is being given to extending the provisions to include prospective employees

The next steps for the School

- Review current arrangements
- Ensure any new participants have entered into an arrangement before 5 April 2017
- If you do not have a salary sacrifice arrangement in place consider the viability of establishing a school fees arrangement before 5 April 2017
- Consult with employees and School Governors
- We are still waiting on further guidance from HMRC
- Final draft legislation will be published shortly after the Spring Budget (8 March 2017)

Points to consider for the employee

- Increased income tax and National Insurance
- Tax rates and bands
- Teacher's Pension scheme
 - Annual Allowance on exit from salary sacrifice
 - Lifetime allowance
 - Contributions
- Earnings related benefits

FEEDBACK INDEPENDENT SCHOOLS' CONFERENCE 2017

Thank you for taking a few minutes to complete this survey. Your response will help us to plan future events. We appreciate your feedback. Please complete your details and click the boxes where applicable.

Name

Organisation

Email

Please rate how satisfied were you with the:	Excellent	Good	Satisfactory	Poor
Information pack provided?				
Audio-visual aids?				
Duration of the seminar?				
Venue?				
Catering?				
Organisation prior to the event?				

Please rate the speakers on the following:	Excellent	Good	Satisfactory	Poor
Richard Harman, AGBIS				
Content				
Delivery				
Time allocated to topic				
Tony Gee, Pen Test Partners LLP				
Content				
Delivery				
Time allocated to topic				

Please rate the speakers on the following:	Excellent	Good	Satisfactory	Poor
Joe Nellis, Cranfield School of Management				
Content				
Delivery				
Time allocated to topic				
Simon Noakes, Interactive Schools				
Content				
Delivery				
Time allocated to topic				

FEEDBACK INDEPENDENT SCHOOLS' CONFERENCE 2017

1. Overall, did the conference meet your personal objectives?

Met my objectives	Partially met my objectives	Did not meet my objectives

2. What were your objectives?

3. Why did you attend the Independent Schools' Conference today?

4. How relevant were the topics to your current requirements?

Relevant	Somewhat relevant	Irrelevant

5. Was the event priced correctly for you?

Yes	No

6. Please explain why?

7. How likely are you to attend another of these events?

Very likely	Likely	Not likely

8. Please let us know of any other topics or areas of interest you would like to see covered at our future events

9. Are you happy for us to use your feedback for marketing purposes ie. on social media? This may include your name and organisation.

Yes	No

If you would like to be added to our mailing lists to receive further relevant information please indicate in the box below.

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A list of partners' names is available for inspection at 26 Red Lion Square, London WC1R 4AG.

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