

Minutes of the Operations Committee Meeting
Held via Zoom on 10th October 2023 at 10am

Invitees	Role	Attendance
Sarah Bellingham (SB)	OLT Governance & Communications Officer	Present
Jodie Croft (JC)	Board Director and OLT CEO	Present
Lawrence Brooks (LB)	Edufin Accountant (attending on behalf of OLT CFO of Edufin, Carina Cuddington)	Present
Beth Gorsuch (BG)	OLT Chief Operating Officer	Present
Alison Hill (AH)	Board Director	Present
Tyler Jeffs (TJ)	Board Director – <u>Chair</u>	Absent
Arjun Thiru (AT)	Board Director	Present

Minutes

1. Welcome & items for AOB/Confidential

- 1.1 JC welcomed everyone and the meeting was declared quorate (noting the requirement for at least three Board Directors).
- 1.2 All documents referred to had been circulated to the Committee prior to the meeting, unless stated otherwise.
- 1.3 JC would Chair this meeting in TJ's absence.

2. Declare conflicts of interest with agenda items or updates to OLT Business Interests Register, & declare receipt of any hospitality

- 2.1 No conflicts were declared with the agenda items. There were no updates or receipt of hospitality to declare for the Register of Business Interests. **ACTION – SB**

3. Appoint Chair for 2023-2024 & Review Bank Signatories

- 3.1 TJ had previously indicated willingness to stay on as Chair for 2023-2024. This was unanimously approved by the Committee.

4. Receive previous Committee minutes and discuss actions not on the agenda elsewhere

- 4.1 The Committee unanimously approved the Operations Committee minutes of 27th June 2023. SB would organise for the approved version to be signed by the Chair and uploaded to the website together with this meeting's agenda, and Committee attendance. **ACTION – SB**
- 4.2 The actions from the last meeting were either completed, in progress, or within the current agenda.
- 4.3 BG confirmed that in relation to Action 9, she had received a satisfactory response from OLT's IT Consultant, and from Kreston Reeves, about the IT testing discussed at the previous meeting. The Committee were comfortable with BG's description of the response received on this.

5. Receive annual policy schedule (within the OLT Governance Handbook)

- 5.1 JC confirmed that this had been updated for 2023-2024 against latest guidance and to include any new policies specific to the new school, such as the SHPA Travel Policy. There had been no significant changes since the previous year.
- 5.2 The Committee confirmed receipt.

6. Review and approval of CEO's recommendations on (1) OLT COO & Principals' salaries, (2) other OLT staff salaries, and (3) all 'no progress pay decisions'

- 6.1 JC referred to the document entitled 'Pay Recommendations 2023 – OLT, DPA, TPA, SHPA, WPA', which set out her recommendations on pay for Trust staff following completion of the annual appraisal cycle for all staff for 2022-2023.
- 6.2 JC asked the Committee to note that at TPA two staff members had been recommended for a 'no progression' recommendation. One of these had yet to be confirmed pending HR processes. These cases were discussed in detail on a confidential basis. JC confirmed that targets had not been met due to frequent periods of absence and that all absences related to protected characteristics had been reviewed by a HR consultant and not included in the decision for a 'no progression' recommendation.
- 6.3 **Q: Did the Trust run employee support programmes for staff?**
A: BG confirmed that the Trust had purchased an external Employee Assistance Programme for its staff which it reminded them about on a frequent basis. JC and BG also referred to the supportive approach the Trust took when notified by staff of sickness, the use of an external Occupational Health provider, as well as the monthly analysis carried out to identify possible patterns or trends of absence in case further support or action could have an impact in reducing high staff absence figures.
- 6.4 All other progress pay decisions had already been forecast in the 2023-2024 budgets approved in the summer term of 2023, with no additional costs involved.
- 6.5 The Committee had no more questions and approved the pay recommendations made.

7. Review of EFA capital funding and procurement

- 7.1 This item was considered in the discussion about the Management Accounts, at agenda item 9.

8. Review of Academies Trust Handbook ('ATH') & Accounts Direction

- 8.1 BG explained that the ATH had been updated for September 2023 and that this version had been circulated for the Committee's awareness in advance of the meeting. This was noted as received by the Committee.

9. Receive Management Accounts

- 9.1 The following documents had been circulated in advance of the meeting, dated August 2023, for the Committee members to review:
- Executive Summary
 - Balance Sheet Summary
 - Cashflow
 - DPA Management Report
 - TPA Management Report
 - WPA Management Report
 - Omnia Management Report
- 9.2 LB shared the Executive Summary on screen. He explained key information included in this summary document and in the other reports, which included an explanation of the Trust's and each school's position in relation to the end of year position for 2022-2023, consolidated in-year surplus or deficit scenarios, carry forward balances, outgoings such as staffing and energy costs, receipt of government grants and other income, as well as cashflow forecasts. Overall, the Trust was in an improved financial position, and there was a healthy in-year surplus across the trust.
- 9.3 A copy of the table of information within the Executive Summary would be pasted into a confidential annex to these minutes for the Committee's reference, per audit requirements. LB would provide the Trust with an updated version of this table, once information about Surbiton had been amended as requested. **ACTION – LB/SB**
- 9.4 The Committee members were asked if they had any questions.
- 9.5 **Q:** Please explain what the grant acronyms stood for, such as MSAG?
A: MSAG stood for 'mainstream school additional grant' and referred to a new funding stream announced by DfE at the start of 2022-2023. It was intended to support schools with rising energy and staffing costs. It was not known how many years this would be available for, and this would be factored into future budget forecasts. All schools had received the MSAG the previous academic year.
- 9.6 **Q:** The WPA accounts appear to show a cost reduction due to the resignation of a staff member in November 2022. Why did the school not make a replacement?

A: BG confirmed that school had not been short staffed and that likely costs had been incurred within the supply budget.

9.7 Q: If savings were made by a school due to any staff member leaving unexpectedly in an academic year, were these typically due to the difficulty in recruiting replacement staff rather than a desire to make savings in this way?

A: That was correct and usually involved spending money on agency staff costs while the recruitment process was ongoing. Therefore, it was unclear in the WPA accounts how any saving would have been seen overall from a staff member leaving in November 2022. LB confirmed that he would provide more information to JC and BG about this point. **ACTION - LB**

9.8 Q: Had any savings been generated for the Trust based on an unfilled Director of Education role?

A: JC confirmed that this role had remained filled, on a consultancy rather than a permanent employment basis, and that a new consultant had taken on the role for 2023-2024.

9.9 Q: Looking at the Trust's cash flow position, in which month would its lowest point be in terms of cash in the bank?

A: This would be in June 2024, but this was still a very healthy position compared to several other academy trusts currently.

9.10 JC reminded the Committee about the Trust's offer to staff of funded school lunches for the 2023-2024 academic year, to help with well-being and cost of living increases, using returns generated from the Trust's annual and monthly investment strategy. JC was confident this was affordable for the entire academic year. Any offer to fund lunches in future years would require a sustainable approach.

9.11 The Committee confirmed it had no further questions on cash flow or the management reports.

Fixed asset capitalisation threshold review

9.12 BG explained that Edufin had recommended an increase to the fixed asset capitalisation threshold of £1k used by the Trust. This threshold was set out within Trust policy as the level at which Trust assets had to be recorded on the fixed asset register. Edufin had recommended taking the advice of the auditors and seeking Operations Committee review and approval for any increase.

9.13 Q: What was a fixed asset capitalisation threshold?

A: LB explained that this was the threshold at which an asset needed to be added onto the Trust's fixed asset register and deemed a capital purchase. Any asset purchased at a cost of £1k or more was currently added to this register and deemed bought with capital funds rather than revenue. Edufin's view was that £1k was low for a Trust of Omnia's size and that £5k would be more appropriate. BG added that the auditors, Kreston Reeves, had advised increasing the threshold as well and she read from a statement of advice recently provided by them on this point. This included mention of best practice around grouping

categories of items, such as iPad or computers, purchased at the same time, into one purchase or project for threshold purposes.

9.14 Q: What was the advantage or disadvantage of classing assets as capital purchases?

A: LB confirmed that the recommendation would not have a particular impact on the Trust's overall financial position but was sensible from an accounting perspective in terms of reducing the volume of assets needing recording on the register.

9.15 Q: What determined whether an asset was bought as a capital item or not – was it long-term use or the purchase price?

A: LB explained that it was simply that any asset purchased over the threshold in the Trust's policy needed to be recorded on the fixed asset register, which helped provide an accurate picture of capital spending at the year-end.

9.16 Q: For accounting purposes, was this about seeing how much of the Trust's funding was tied up in capital purchases?

A: Yes, it was.

9.17 Q: Was this point connected with asset depreciation rates or was that separate?

A: This point did not involve asset depreciation rates.

9.18 Q: Was there a danger of mistakenly not including assets on the register due to how they were grouped in purchase sizes or frequency?

A: With a higher threshold, more of the Trust's spending on repairs or maintenance could be kept out of the register, for example a purchase required to replace damaged devices rather than a larger capital project.

9.19 Q: What were the reporting lines for this? Who was responsible for capital projects?

A: JC confirmed that capital purchases were clearly set out in the Trust's budgets. If there was anything new, this information went into the budget adjustment spreadsheet sent to notify Eudufin. JC and BG also looked at the invoices they received and allocated these to the correct line or cost code. Then they would look at what funds payment came out of, for example, capital or revenue.

9.20 Q: How often do the office managers need to update the fixed asset register?

A: This register was updated annually via an audit process, and during the year as needed when purchases were made. Capital purchases were always recorded on the school-based register, which was used to plan future school budgets, such as for furniture and IT refreshes.

9.21 Q: Was there any greater impact of increasing this threshold for the Trust than just the impact on record keeping as the Trust grew?

A: JC and LB agreed that record keeping was one aspect but that also the threshold needing increasing as costs generally were increasing and the scale of Trust purchasing was growing with its increasing size. If the threshold was not increased, likely the fixed asset register would end up with countless lines of entries. JC added that the register was not something which the office managers were required to manage. They had their own record keeping system at school level.

9.22 BG explained that the auditors had recommended an increase to £2k or £3k. BG suggested that the Trust adopt a threshold of £3k for these purposes and revisit this in due course. The Committee agreed with this approach. BG would confirm this approval to CC. **ACTION – BG**

10. Receive national and school demographics data dashboard

10.1 JC referred to the document ‘Consolidated 21-22 22-23 Outcomes, showing the academic outcomes for DPA, TPA, and WPA for both academic years, against local and national data. This was brought up on screen and JC reminded the Committee that it had been agreed to share this for context as a standing agenda item for the Committee each October.

10.2 JC ran through the headline points for each school and asked if the Directors had any questions.

10.3 Q: What did a minus progress score mean?

A: In this report, it suggested that pupils who were continuing to score highly, were nonetheless achieving slightly lower scores than they did in earlier school years. Value measures were now changing, such that pupils would be assessed on progress from Reception through to Year 6, rather than from Key Stage 1. JC was unsure what impact this would have. It continued to be important that all the schools were ambitious for pupils achieving ‘at expected’ or higher in each of the three core subjects of reading, writing and maths.

10.4 Q: Were the Key Stage 2 scores taken from SATs results?

A: Yes, they were.

10.5 Q: Did this information show the groupings of children relevant to outcomes?

A: Rows 28, 29, and 30 showed the contextual data, for example the children at each school facing deprivation as evidenced by free school meals and related DfE data, as compared with national data on this. conditions. SEND pupil as well as EHCP pupil numbers were also set out in this way.

10.6 Q: Noting the cohorts of pupils achieving ‘at expected’ in all three core subjects, was there still progress being made by pupils in individual subjects?

A: Rows 17 to 22 showed for example that reading scores, looked at in isolation, were often very high. There were pockets of really good outcomes, however it was often the case that the same children were not getting these high results across the board.

10.7 JC confirmed that this data informed Trust and school staffing needs and school development plans. It was this data that sat behind the budgets being set.

11. Review of spending linked with educational priorities

11.1 JC had already discussed details of the funded lunch offer to school staff for 2023-2024. She had nothing further to add for this item.

12. Receive COO Compliance Report dated October 2023

Report covering: IT/GDPR, financial audits, HR, H&S (external audits, WRA, FRA), Premises, Safeguarding (SCR audit & LADO audit), & Policies Review

12.1 BG spoke to the key parts of her report shared on screen.

12.2 These included:

- Confirmation of schools' IT systems compliance with DfE statutory guidance for 2023 on web filtering and monitoring (within Keeping Children Safe in Education), noting SHPA would be compliant soon once broadband and IT devices had been obtained;
- Confirmation of no live subject access requests;
- Confirmation of the status of the Data Protection Bill at parliament;
- A progress update on the first external audit of 2023-2024 by auditors Kreston Reeves, used the previous year also.
- A progress update on the HR File and SCR audits from the previous year and planned for this academic year;
- Budget summaries with reference to the information provided by LB earlier in the meeting;
- A summary of latest staff sickness and other absence data, and the strategies in use to support staff as well as minimise the impact on the schools;
- An update on the Trust policies which had recently been updated and required Committee review and approval;
- An update on Trust and school premises and estate management, and
- Confirmation that Health and Safety compliance checks were being undertaken at the schools, and all external safeguarding and other audits were being booked in this academic year.

12.3 Directors were asked if they had any questions on the report.

12.4 Q: Were the high absence rates caused by a relatively small number of staff?

A: Yes, that was right. There were low numbers of staff taking lots of leave. Hardest to manage was the situation where someone took lots of ad hoc leave, as compared to someone on a planned period of long-term leave.

12.5 Q: Could benchmarking data be obtained from local schools to see what absence picture they might be facing and how comparable the Trust was in this respect?

A: BG was now working with a mentor from another academy trust so this might be an avenue to explore with them. **ACTION – BG**

12.6 Q: How much practical support was the current Occupational Health company providing?

A: The Trust was currently reviewing the Occupational Health provision as it wanted to ensure it was receiving meaningful support beyond the suggestions and strategies already being considered internally.

12.7 Q: In respect of the budgets, did each school have a plan for spending the MSAG this academic year?

A: Spending plans per school had been included in the budgets submitted in the summer term and approved by the Board. For example, TPA was spending its grant on improvements to outdoor play equipment and on LED lighting. DPA was also replacing its

fluorescent strip lighting with LED alternatives. All surplus monies were broken down by school and coded by Edufin, to indicate whether money was ring-fenced for particular use. WPA was having to spend in the region of £75k on replacement boilers due to faulty installation. JC was having ongoing discussions with the insurers about covering this cost.

- 12.8** JC confirmed that the Trust was committed to spending larger amounts of money each year to pupils' benefit and she would be working closely with the Principals to encourage this. BG added that more frequent meetings were taking place between Edufin and the Principals and office managers to look at underspending as well as potential overspending, to make sure each school was doing the most it could with what was available. JC was already looking at appointing a speech and language therapist at one or more of the schools this academic year.

13. Policies requiring Committee approval

- 13.1** BG confirmed that updates to the policies being brought to the Committee at this meeting had all needed only minor updates.

OLT Staff E-Security Policy 2023

- 13.2** This now made reference to the DfE's web-filtering and monitoring requirements in the Keeping Children Safe in Education guidance, and also made reference to the office managers undertaking an annual asset audit.

- 13.3** The Committee had no questions and approved the updated policy.

OLT ICT Continuity and Recovery Policy 2023

- 13.4** This policy now included reference to Arbor, the system in use currently at the schools for MIS. A small number of other references had been taken out for accuracy.

- 13.5** The Committee had no questions and approved the updated policy.

OLT Data Protection Policy 2023

- 13.6** This policy now made reference to the DfE's web-filtering and monitoring requirements in the Keeping Children Safe in Education guidance and made reference to updated GDPR meeting practices throughout the academic year.

- 13.7** The Committee had no questions and approved the updated policy.

OLT Disciplinary Policy and Procedures 2023

- 13.8** This policy now included reference to the new HR process of issuing letters of advice and expectation. BG reminded the Committee that the Trust had recently appointed new HR Advisory firm, Juniper. The policy also contained general updates based on latest HR guidance.

- 13.9** The Committee had no questions and approved the updated policy.

13.10 AT left the meeting at 11.30.

OLT Compassionate Leave Policy 2023

13.11 This policy now contained a reference to reasonable unpaid staff absence to manage emergencies, for example the boiler at home breaks down and needs immediate repair. BG noted that there was no statutory limit to the number of days an employee could take off work for such issues, but a legal framework was in place around what was reasonable. BG would be working closely with Juniper about how best to hold staff conversations around unpaid leave.

13.12 JC and AH had no questions and approved the updated policy. SB would send this to AT after the meeting to gain his approval. **ACTION - SB**

13.13 SB would upload all approved policies to Parago, the shared drive, and website as needed. **ACTION – SB**

14. Policies requiring review and recommendation for Board Approval

OLT Pay Policy

14.1 BG confirmed that the OLT Pay Policy was reviewed annually by the Operations Committee and needed recommendation for Board approval.

14.2 The only change to the policy this autumn had been to update teacher pay scales for 2023-2024. These had not yet been signed off by Parliament, but they would be implemented for staff as soon as they were ratified and published. There had been no information from the government to confirm support staff salaries, however the Trust had already factored an inflationary increase to these into the 2023-2024 budgets, which would be backdated to the start of the academic year, once details were published.

14.3 JC and AH had no further questions and were happy to recommend the policy for Board approval, pending possible updates needed once confirmed pay scale information was available. SB would ask AT after the meeting to confirm whether he was also happy to recommend this for Board approval. **ACTION - SB**

15. Review of Trust Risk Register

OLT Risk Register October 2023

15.1 JC had updated this with the risks flagged by BG in her compliance report. This included the delays being experienced to the full opening of SHPA. JC gave details of a catering matter at TPA of which had been the subject of complaint and which she would be keeping under review to ensure her recommendations were being met.

15.2 The Committee confirmed receipt of the latest Risk Register and no questions were raised.

16. Approve SHPA FMGS Return – September 2023

16.1 JC explained that the return information was accurate and fully compliant. AH was happy with this, and SB would ask AT to confirm his approval after the meeting. **ACTION - SB**

17. Review and approve proposal to increase fixed asset capitalisation threshold

17.1 BG had already covered this point at the Management Accounts discussion earlier in the meeting (at Minute 9 above).

18. OLT Going Concern Assessment - Year Ended 31 August 2023

18.1 BG explained that Kreston Reeves had sent the going concern assessment questionnaire to the Trust. It was part of the Trust's external audit process to provide answers to this. A similar process had taken place the previous year. This time, there had only been two additional questions about supply chains. BG was not aware of anything contentious.

18.2 BG was asking the Committee for its approval for BG to send the completed questionnaire to Kreston Reeves.

18.3 AH confirmed that she was happy with this as it appeared to be standard accounting practice to establish that there were no issues in the financials. Nothing in the discussions at the meeting suggested any problems or issues.

18.4 Both AH and JC confirmed their approval. SB would ask AT to confirm his approval after the meeting. **ACTION – SB**

19. Agree confidential status of the meeting's documents: ATH 2023 (Art 1.45)

19.1 It was agreed by the Committee that other than the agenda, the approved minutes from the previous meeting and any approved final versions of policies, the remaining documents reviewed for this meeting were confidential to the Trust.

20. AOB

20.1 There was no AOB raised by the Committee.

Meeting Closed: 11.40

Dates of next meetings:

- Tuesday 28th November 2022 at 10am (Audit & Risk Committee)
- Tuesday 20th February 2024 at 10am
- Tuesday 30 April 2024 at 10am
- Tuesday 25 June 2024 at 10am

Action list of 10th October 2023 Operations Committee Meeting

Action Number:	For Whom:	Reference:	Action:
1	SB	Minutes 2.1 & 4.1	Update Register of Interests, request Chair's signature to approved minutes of previous meeting, and upload meeting attendance, previous minutes, and current agenda to Trust website. DONE
2	LB	Minute 9.3	Supply BG and SB the updated version of the information table within the Executive Summary (of the Management Accounts). DONE
3	LB	Minute 9.7	Provide details to BG of the WPA staff member resignation in November 2022 recorded in the school budget.
4	BG	Minute 9.22	Confirm approved new fixed capitalisation threshold of £3k to Carina at Edufin and update Trust policy(ies) as needed. DONE
5	BG	Minute 12.5	Explore local academy trust/school benchmarking data on staff absence figures
6	AT	Minutes 13.12, 14.3, 16.1, & 18.4	AT to confirm his approval to the items discussed after he left the meeting, which were: the OLT Compassionate Leave Policy, the OLT Pay Policy, the SHPA FMGS Return, & the Trust's response to KR's going concern assessment questionnaire. DONE
7	SB	Minute 13.13	Upload all approved final version policies to Parago and the Trust website as needed. DONE