

Minutes of the Operations Committee Meeting
Held virtually via Zoom on 11th October 2022 at 10am

Attendees

Sarah Bellingham (SB)	OLT Governance & Communications Officer	Present
Lawrence Brooks (LB)	Senior Consultant at Edufin	Present (for part)
Jodie Croft (JC)	Board Director and OLT CEO	Present
Carina Cuddington (CC)	OLT CFO (Edufin)	Present (for part)
Beth Gorsuch (BG)	OLT Chief Operating Officer	Present
Silvia Holgado-Gomez (SHG)	Board Director	Present
Tyler Jeffs (TJ)	Board Director	Present
Arjun Thiru (AT)	Board Director	Present

Minutes

1. Welcome, declare conflicts of interest relevant to the agenda & items for AOB

1.1 JC welcomed everyone. No apologies had been received. No conflicts of interest were declared in relation to the agenda items.

1.2 The meeting was declared quorate (noting the requirement for at least three Board Directors).

2. Receive previous committee minutes and discuss actions not on the agenda elsewhere

2.1 The Operations Committee minutes of 28th June 2022 were approved unanimously by the committee.

2.2 The actions from the last meeting were either completed or within the current agenda. JC confirmed that the annual audit schedule would be as follows: an external audit each autumn term, followed by an internal audit in each of the spring and summer terms.

3. Appoint Chair for 2022-2023 & review bank signatories

3.1 TJ nominated himself as Chair for the 2022-2023 year and this was approved by the committee unanimously.

4. Review and approval of CEO's recommendations on OLT Staff Salaries

Pay Recommendations 2022 – OLT, TPA, WPA, DPA

4.1 JC summarised the information contained within the documents circulated.

4.2 **Q:** Was JC comfortable about the process related to a staff member moving into a UPS range, and the assessment of value added?

A: BG flagged one DPA staff member in this scenario. She had recently had a threshold interview and her performance had been assessed by the headteacher. The decision on pay would be taken based on evidence of her having met the criteria.

4.3 **Q:** Had there been any recommendation from the DfE regarding a specific pay rise to account for inflation?

A: No, however teacher pay scales were increasing and would be confirmed on 4th November 2022. Staff would therefore receive an inflationary rise as well as a performance related pay increase. The Committee discussed the extent of the inflationary-related pay increase due for support staff, which might equate to 10% of salary and cost in the region of £30k per school just for the period of April to August 2022. The Trust could afford this cost in the current financial year but was hopeful for government funding to cover this in future financial years.

4.4 JC explained the new staffing structures required in relation to the planned opening of OLT's fourth school, Sires Hill Primary Academy, in September 2023. The Committee discussed a proposal by JC for a one-off payment to cover the pre-opening project work that Alison Ashcroft needed to carry out in the weeks leading up to the opening date. The details were noted in a confidential section of the minutes.

4.5 The Committee unanimously approved the CEO's recommendations.

5. Review of EFA Capital Funding and Procurement

5.1 JC ran through details of the key capital projects planned per school and the funding in place or due for those. This included discussion of the pre-opening development grant for SHPA, and the requirement to update the Trust and schools' funding agreements. JC would inform the Committee of any changes to current funding agreements before new documents were signed.

6. Review of ATH 2022 & Accounts Direction

6.1 BG updated the Committee about minor changes to the ATH, within its latest 2022 version, and how this had been reflected in Trust documentation.

6.2 TJ and CC confirmed that only a minor change had been made to the latest Accounts Direction, related to conflicts of interest. Linked with this, BG would ask the auditors to provide an up-to-date template for producing the annual return and send this to JC.

ACTION - BG

6.3 CC's Edufin colleague, Lawrence Brooks, attended 10.38 to help answer directors' questions on the management accounts.

7. Receive Management Accounts for August 2022

7.1 CC ran through key data from her Executive Summary, Balance Sheet, and Cash Flow Forecast. Support staff pay awards would be added in, to the extent not already covered off (i.e. the difference between the unforeseen estimated 10% increase and the 4% increase already budgeted for).

7.2 **Q:** Related to cash flow, what amount did the Trust never dip below?
A: £1.3 million was the lowest.

7.3 **Q:** What did the Trust have in its bank account now?
A: £1.6 million at moment.

7.4 The Committee discussed the possibility of investing the £300k difference between these two amounts, in terms of risk and returns. JC would bring a proposal to the November 2022 Board meeting, with a view to approval for investment activity starting at end November 2022. **ACTION - JC**

7.5 **Q:** Had each school spent its full pupil premium grant and sports premium grant?
A: Yes, the full amount had been spent and could not be clawed back. The tutoring grant at DPA had also been fully utilised.

7.6 The Committee discussed and agreed on the importance of the Trust and schools spending available money as far and as promptly as possible, where this would be to pupils' benefit. The directors agreed that available monies should not be held without justification. To help with this, CC would clearly label funds as being for 'restricted' or 'unrestricted' use when the monthly accounts were submitted to the Board in November 2022. **ACTION - CC**

7.7 The Committee also discussed the need for caution linked with rapidly rising energy costs and discussed ways to reduce costs. BG and JC would soon be appointing an external thermal engineer to carry out a review of energy usage and requirements at each of the schools. Recommendations might include installing triple glazed windows, to keep energy costs down. **ACTION - BG**

7.8 The Committee confirmed its receipt of the management accounts for August 2022.

8. Review and approve OLT Going Concern Assessment

OLT Going Concern Assessment October 2022

8.1 The Committee had reviewed the document. CC shared this on screen, explained its purpose and outlined the financial assumptions underpinning it. These assumptions had in part been discussed earlier in the meeting in relation to unexpected rises in support staff costs but had also been reviewed by the Board at its meeting in July 2022.

8.2 Q: Was the assessment applicable to the following 12 months, or a longer period?

A: The assessment looked ahead to December 2023, so was just for a one-year period. This was all that was required.

8.3 The Committee were comfortable with the Going Concern Assessment and approved CC's submission of it to the auditors on behalf of the Trust.

8.4 CC and LB left at 11.05.

9. Review of spending linked with educational priorities

9.1 JC described her view of how the Trust was supporting pupils across all categories. She noted the rapid rise in cases of pupils with Special Educational Needs and confirmed the Trust's focus on outcomes in this area. The Committee agreed that it would be helpful to see more data at a school level, to inform financial decisions.

9.2 It was agreed that a standing agenda item would be added for the first Operations meeting of each year to allow the Committee's discussion of each school's demographics data. JC would prepare a dashboard style document containing internal school data as well as local authority data, to help with context setting and the assessment of current and future needs.
ACTION - JC

10. Review and approve expenditure over £10k

10.1 JC confirmed there was no expenditure over £10k to approve, other than the item she would raise later in the meeting connected with the cost of a DPA residential school trip.

11. Receive annual policy review schedule

OLT Policy Scheme of Delegation October 2022

11.1 This had been reviewed in detail and updated by BG, JC, and SB. It was in line with statutory guidance.

11.2 The Committee noted receipt.

12. Receive COO Compliance Report

12.1 BG summarised key parts of her report and asked the directors if they had any questions.

Staffing

12.2 Absence data was now being analysed at Trust level by BG in the first instance, to map trends and help manage formal processes. This would help the Trust stay on top of any more serious issues.

IT/GDPR

12.3 BG explained that the DfE's cyber protection insurance scheme, which provided financial protection in the event of serious data losses, required that all Trust staff having access to Trust or school IT systems, were appropriately trained. This was in progress.

HR

12.4 The Trust would be renewing its annual contract with external HR services provider, Strictly Education, to help it continue monitoring the Trust's and school's HR processes. This work would link in with the annual audit cycle.

Safeguarding, to include SCR audit, LADO audit

12.5 Each school would now follow the same process for the review and audit of its SCR and related processes. This would help provide confidence on standards. JC and BG would also now be reviewing the SCR at Trust and school level to ensure there were no gaps.

12.6 JC referred to a previous Committee discussion about the extent of appropriate online checks on applicants for Trust/school roles. JC explained that following a review of the advantages and disadvantages of checks of various types, as well as discussions with school colleagues, the online vetting process would now comprise a search of the applicant on 'Google', as well as asking every candidate at interview the question 'what might we find if we did a Google search on your name?'. **ACTION - BG**

12.7 The hope was that this would flush out important information before making a hiring decision, without risking a breach of GDPR rules, and would provide the Trust the opportunity to dismiss at a later stage if an employee were found to have lied at interview. This would be an added element to the Trust's standard application and interview process at its schools, which already included standard safeguarding checks. The Trust could decide to outsource this activity in the future if more help was needed.

Audits

12.8 **Q:** Was this Committee responsible for setting the scope of the internal audits each year?
A: It was, and this would be done at the November 2022 Committee meeting.

12.9 The Committee confirmed receipt of the report.

13. Policies requiring committee level approval

OLT Reserves Policy 2022

13.1 BG explained that this had received minor updates only, mainly related to the terminology used in the document, based on the recently updated ATH 2022. CC had also provided her input.

13.2 The Committee had no questions, and the policy was approved.

14. Policies requiring review and recommendation for Board approval

OLT Pay Policy 2022

- 14.1** This had been updated in four key areas: CEO pay structure (noting the benchmarking data provided underpinning this), the pay scale for the Executive Principal role (across SHPA and DPA), the pay scale for the Executive Vice-Principal role (also across SHPA and DPA), and minor updates to the annual leave entitlement for the small number of staff on annualised hours contracts.
- 14.2** The updates had been drafted based on affordability and on compliance with statutory schools pay and conditions requirements. It was likely that the policy would receive another review in two years' time, once SHPA was more populated. Ongoing affordability would be closely monitored, whilst also noting the need to offer competitive salaries for attracting and retaining skilled staff.
- 14.3** The Committee were comfortable with the policy updates and were recommending this for Board approval.

OLT Financial Policies and Procedures

- 14.4** BG confirmed that this document had been updated to reflect minor changes to the ATH 2022, and it had received CC's input.
- 14.5** **Q:** Did the Committee need to approve a recent bill received of approximately £11k, for the cost of hiring a residential activity centre for a planned school trip? Payment would be mainly via receipt of parents' payments with the school topping up in relation to disadvantaged children.
A: JC clarified that under the financial scheme of delegation, the Principals had autonomy to approve costs up to £5k, costs between £5-10k required JC's approval, costs of over £10k required Operations Committee approval, and those over £50k required Board approval. The Committee discussed the applicable procurement principles applying in the context of a residential school trip and were confident that it was not necessary to obtain multiple activity centre quotes prior to choosing a venue. BG would talk to CC about the appropriate approval process in general in this context (**ACTION – BG**), which might involve ensuring pre-approval of estimated funds required for school trips in the relevant year's budget.
- 14.6** BG confirmed that the trip in question was for DPA pupils, and the total cost was £12,540 (with no VAT applying). The per pupil cost was £345 but reduced to £100 for pupil premium children. In this instance and following discussion of the details of the residential trip, the Committee approved the payment of the activity centre's bill using parent monies and school funds as needed.
- 14.7** The Committee were comfortable with the updated version of the OLT Financial Policies and Procedures, subject to JC and CC providing clarity on the point discussed and were recommending it for Board approval.

15. Asset Management and Capacity Review

OLT Asset Management Policy 2022

15.1 BG was flagging this latest version of the policy to the Committee for its awareness of the provision for replacement cycles at each school. This concerned the regular assessment of facilities and equipment, such as boilers, to anticipate what needed replacing and when. This helped place costs into the appropriate budget cycle.

15.2 There were no questions and the Committee confirmed receipt.

16. Review of Trust Risk Register dated September 2022

16.1 JC confirmed that she updated this with a 'RAG' colour system and had added the date of entry of a risk item, to help track relevance and progress. BG was now responsible for updating the document, and she would be continuing to review this monthly. She confirmed that she had added in the risks of inflationary increases to salaries and of rising energy costs.

16.2 The Committee was pleased with the detail of the document and had nothing to add.

17. Note OLT submission of EYOCs for DPA & TPA

17.1 The Committee had no comments on the end of year certificates. It was noted that these looked clean and accurate.

18. Agree confidential status of the meeting's documents: ATH 2021 Ref: 2.51 at page 32

18.1 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.

Meeting Closed: 11.50

Date of next meeting: Tuesday 29th November 2022 – 9.30am

Actions from Operations Committee Meeting of 11th October 2022

Action Number:	For Whom:	Reference:	Action:
1	BG	Minute 6.2	Ask UHY to send her and JC an up-to-date annual return report template.
2	BG	Minute 7.7	BG to appoint a thermal engineer to review energy use and requirements at the schools and suggest ways to reduce costs
3	BG	Minute 12.6	BG to update the standard applicant interview and pre-hiring process to include a Google search of the applicant's name and inclusion of a standard interview question: 'what might we find if we did a Google search on your name?'

4	BG	Minute 14.5	Discuss and agree with CC the appropriate budget pre-approval process for school trips estimated to cost over £10k.
5	JC	Minute 7.4	Prepare an investment proposal to bring to the November Board meeting.
6	JC	Minute 9.2	Prepare a national and schools-based demographics data dashboard for each autumn term committee meeting.
7	CC	Minute 7.6	Update the monthly accounts format to show funds labelled as available for 'restricted' and 'unrestricted' use, in time for the 29 th of November 2022 Board meeting.