

Minutes of the GLT Operations Committee Meeting
Held virtually on 17th March 2021 at 11am

Attendees

Sarah Bellingham	Clerk	Present	Clerk
Jodie Croft	GLT CEO	Present	JC
Carina Cuddington	CFO	Present (for part)	CC
Rowena Duff	GLT Director	Present	RD
Beth Gorsuch	GLT Business Manager	Present	BG
Jason Murphy	GLT Director & Chair	Present	JM
Danielle West	GLT Director	Present	DW

Part One – Non- Confidential

Minutes	
1. Welcome and Apologies for Absence	
1.1	JC welcomed everyone to the meeting, which was being held virtually via Zoom. The meeting was declared quorate.
1.2	The Clerk was attending remotely to take the minutes. It was noted that all documents to be discussed in the meeting had been circulated by the Clerk prior to the meeting via Governor Hub.
1.3	No items for AOB were declared.
2. Declare any conflicts of interest relating to agenda items	
2.1	None declared.
3. Receive and approve previous committee minutes of 22nd October 2020, and receive previous committee minutes of 26th November 2020 and discuss actions not on the agenda elsewhere	
3.1	Both sets of minutes were approved and it was confirmed that all actions were either completed, in progress, or listed on the agenda for this meeting.
4. Note appointment of external and internal auditors	
	<i>Carter and Coley (External), UHY (Internal)</i>
4.1	JC confirmed that the transition to the new external auditors, Carter and Coley, had taken place and all documents had been signed. UHY continued to be the internal auditors.

5. Agree schedule for internal audit

Governance, HR & Payroll, Finance, Data and Information Sharing, and Central Trust Functions

- 5.1 The internal audit schedule had to be agreed by the Trustees. Two potential new areas of focus were data and information sharing, and central trust functions. CC flagged that the Trust Risk Register would provide a useful basis for the decision about areas for scrutiny.
- 5.2 **Q: Was there a need for increased scrutiny of finance processes because of the Covid catch-up funding?**
A: JC said not, because the money was being spent in line with the terms of the grant, as was the case for the many types of funding received from the government, and the normal checks would cover this.
- 5.3 **Q: What did the term ‘central trust services’ cover?**
A: JC confirmed that these were the services which the Trust provided to the schools, which would be important to scrutinise as they had not been audited before and the Trust was growing.
- 5.4 **Q: How often did the Trust agree the audit schedule? Annually?**
A: The scope was agreed annually in April to May. The auditors then produced a report with recommendations. It was the external audit which received no input from the Trust and covered the full scope of the Trust’s activities.
- 5.5 The directors discussed the potential areas for scrutiny by the internal auditors and agreed that the three areas should be: finance, central trust functions, and data and information sharing.

6. Review outcomes of benchmarking exercise and spending linked to educational priorities

SRMSA & Trust Response (TPA, DPA), ICFP Forecast 2021-2023, and ICFP Plans

- 6.1 JC clarified what the annual benchmarking process involved, the type and format of the data that was produced, and the response the Trust was required to provide to this data and by when. The process had not taken place for WPA because this had been a new school in 2020. JC had started drawing up the responses to the data received and now required oversight and input from the directors. JC was keen to avoid the staffing budget outstripping total income and was keen to ensure that the data was used to inform budget setting. From 2021, Edufin would be involved with school budget setting as an extra level of scrutiny and support.
- 6.2 **Q: Admin staff and energy costs were in the highest 10% band for one of the schools. Why was that?**
A: The document showed that this was the for admin and clerical staff in both schools, and for energy costs for TPA. JC said that the school offices were such busy places she did not see how fewer staff would be needed there. CC noted that the data reflecting office staff salaries was skewed because the schools were not yet full. JC also noted that inefficiency and expense of the heating system which TPA had inherited with the school building. It was hoped to install solar panels in the future, but this was a large project and required planning permission.
- 6.3 The directors discussed other items to include the trustee checklist, employee attendance at committee meetings and DPA’s spending plan for its reserves budget. JC asked for comments from directors by 15th April 2021. If she received none, she would assume the directors were in approval with the Trust responses.

7. Receive management accounts

Management accounts dated February 2021 (GLT, WPA, TPA, DPA), cashflow forecast, and executive financial summary

- 7.1 CC shared her screen. She would be discussing the February 2021 documents circulated before the meeting.

The Trust

- 7.2 CC highlighted that Covid continued to have a financial impact, to include the loss of clubs and lettings income, but savings on the cost of school meals. CC touched on key figures such as the £6k favourable variance for the year-to-date, the £4k in-year deficit, and the £81k carried forward from the previous year. JC added that there was also the £66k additional grant received in respect of Surbiton.

- 7.3 **Q:** Was that money being ring-fenced?

A: JC would be ring-fencing a total of £91k for Surbiton, based on similar pre-opening costs for WPA.

- 7.4 **Q:** Was it usual to pay back-dated annual leave to staff? Should annual leave not be taken or carried forward instead?

A: Holiday pay was built into salary for certain support staff contracts, meaning no annual leave was due. The payment in question was a one-off backdated payment in relation to the previous year worked on a higher salary. This contract would be reviewed for the following academic year in relation to adjusted duties.

TPA

- 7.5 There was a favourable variance of £18k, and CC outlined several reasons for this. There was an in-year surplus of £9k, and with the money brought forward from the previous year there would be £121k in reserves to carry forward at the year-end. This was healthy.

- 7.6 **Q:** Why had the SLT pay increments not been budgeted for and how could this be avoided in the future?

A: Edufin have now been appointed from September 2021 to oversee school budget setting and forecast planning, which should avoid that happening again.

- 7.7 **Q:** Please explain the overspend in staffing costs – was this due to contract changes?

A: CC and JC discussed the impact of the new GLPC pay scale which had been introduced the previous year. At that time, the Trust had also moved to a model of receiving external HR advice on an alert basis in relation to pay and conditions in order to be informed about pay scale changes in advance in the future.

- 7.8 **Q:** The increase in photocopying charges was a lot – had fees been raised?

A: JC explained that the Trust had taken on a lease for a machine was a cost of £5k for the year.

- 7.9 **Q:** The phone costs seemed high too, at £2.5k?

A: JC would look into this. **ACTION- JC.** CC noted that the actual cost of £1.5k, compared to the cost related to Edufin, which was the remaining £1k. BG added that TPA and DPA were with the same phone provider. The line rental was the costly item, given that the cost of the actual calls at each school was quite low.

7.10 Q: Would the forecasts for the remainder of the academic year be based on an assumption of the removal of Covid restrictions?

A: JC said that the Trust had set aside a pot for Covid-related costs and had reduced its estimates of additional income accordingly. There had been an announcement recently that pupil premium funding would be based on the October 2020 census rather than early 2021 pupil numbers. Given that pupil premium numbers had risen since October 2020, the impact might be a reduction in funding. CC added that she was hopeful for increased clubs and lettings income for the remainder of the year but noted that cleaning costs would stay higher based on increased health and safety requirements.

7.11 Q: Had the school clubs returned as normal and what had been the take up since the school had re-opened?

A: BG explained that the breakfast club was intended to restart at DPA after Easter. Bookings had been low so far, as many parents were working from home and did not need the same level of child-care. The same was the case for the after-school clubs planned for the summer term, and some external club providers were at risk of not breaking even with such low numbers attending.

DPA

7.12 There was an in-year favourable variance of £77k, and the reasons for this were discussed. The £98k in-year surplus had increased to well over £100k. An increase in SEN pupil funding was noted, as well as a £10k increase in SLT staffing costs which was offset by lower salary costs due to the impact of maternity leave for some staff.

7.13 Q: Why had the SLT staffing cost gone up?

A: BG explained that one of the staff members had not been coded correctly, but this had now been rectified.

7.14 Q: The maternity costs seemed high. Was there anything to help reduce that, such as looking at the absence insurance policy taken out?

A: BG explained that the cost involved the reduced payment amount to the employee on leave as well as the cost of the agency cover, and that the typical insurance pay out was capped at approximately £3k per pregnant employee. CC added that the absence insurance policy was possible not worth the cost to purchase it, given the low pay outs and the stringent reporting requirements.

7.15 Q: Had SMP reclaim been added into these figures?

A: This was noted by BG and JC and would be checked. **ACTION – BG**

7.16 The directors noted that the reserves at DPA were higher than recommended by the EFSA, but this was known, and the spending plan would be confirmed as soon as the grounds work had been completed.

WPA

- 7.17** There was a £15k favourable variance for the year to-date. The in-year surplus was now at £48k, which was lower than had been expected but still significant for the school's first year.
- 7.18** **Q:** Please confirm the additional staff member(s) at WPA.
A: These were confirmed as a secondee for SENCo cover, a new caretaker, and an additional in-year support staff member. Some of the cost had been covered by the teachers' pay and pension grant and been moved from the cleaning contractors line to cover the caretakers cost.
- 7.19** **Q:** The Trust had budgeted £8k each for gas and electricity costs. Please confirm if this had been spent as it was not recorded in the management accounts.
A: CC said that the management accounts recorded an adjusted amount, which was a £5k cost for gas, and a £6.5k cost for electricity, both to end January 2021. This was just five months' worth, so CC had increased the predicted outturn to be cautious.
- 7.20** **Q:** Was there the potential for installing solar panels at DPA and WPA to help reduce these costs?
A: It was confirmed that at WPA these had been connected and were working. However, the panels installed at DPA had not yet been connected and the Trust was waiting for confirmation from the council that this could happen.
- 7.21** CC gave a summary of the Trust's financial position and gave short summaries of the data in the balance sheet and cash-flow forecast. Overall the Trust's position was healthy.
- 7.22** The directors discussed how well the Trust was functioning in terms of financial planning and processes. CC confirmed that she could not see any big areas for concern and thought that the Trust's financial processes were robust, in part given that Edufin assisted with monthly financial scrutiny and forecasting and would be assisting with school budget setting from September 2021. Any mistakes made to-date had been justified and steps had been taken to avoid repeats. RD added that variances discussed today seemed reasonable and that it was important to remember that a forecast was an informed estimate only. RD said she did not have any cause for concern.
- 8. Covid catch-up funding plans**
- 8.1** Directors were asked to note receipt of plans and funding. JC confirmed that these had been going to the QES committees for analysis from the perspective of how the money was being spent rather than the amount. The terms of the grant were being complied with.
- 8.2** DPA was assessing its catch-up spending requirements, and both TPA and WPA had adjusted their requirements based on an assessment of the children having come back on 8th March 2021.
- 8.3** **Q:** Had a plan been made for approaching catch-up plans with the parents of children requiring extra support?
A: BG confirmed that all parents were being written to for providing permission for catch-up sessions after school or during the school day.
- 9. Pay band proposals and consultation**
- 9.1** JC and BG had been looking at a pay band proposal to apply across the Trust, for reasons of consistency and affordability. They discussed items to include rates of inflation, the new national funding formula per pupil, pay bands and caps, a suggested notice period to staff before applying new pay bands, the potential for performance-related awards on a year-to-year basis separate from pay, and the planned receipt of external HR advice before consulting with staff.

- 9.2 BG confirmed that very few staff would be in a disadvantaged position. RD said that a two-year notice period seemed reasonable.
- 9.3 **Q:** In terms of attrition, what was normal for staff and was there a general policy of hiring at bottom of a pay band when filling vacancies, rather than replacing as is?
A: JC said that this would be case going forward. To-date, the Trust had been worried about losing staff given the schools were so new. Now that TPA and DPA were almost full, the schools were not in a position to afford a large SLT and were having to accept that a higher turnover of staff would become normal.
- 9.4 **Q:** Had JC and BG done any benchmarking to help establish if the proposed pay bands were appropriate for the roles and positions within the Trust?
A: BG confirmed that they had. They were also getting external HR advice and would be working through the suggestions received.
- 9.5 **Q:** Were the proposed pay bands suitable for each of the Trust's three schools?
A: BG confirmed that they were and added that the SLT scale was wide enough to recognise different levels of experience, leaving scope for growth.
- 9.6 **Q:** Was it correct that the head teachers were going to be on a 7-point and not a 5-point range?
A: JC said she would look into this and this and adjust to 7 points if the STPCD requires. **UPDATE 24/3/2021 – 7 point range not required by STPCD, confirmed by Strictly Education.**
- 9.7 **Q:** Was the proposed band of L11-L14 correct for the Director of Education role? Should it be a higher band than a head teacher, if the role was one of line manager for the heads?
A: JC agreed that it depended on what would be asked of the Director role. In time, JC envisaged that this role would be used for line management of the heads rather than this being carried out by JC. The appropriate pay band would be given careful review by the HR consultant. JC would bring back the final proposals to the Board by e-mail before consulting with the staff after Easter.
- 9.8 **Q:** Had any new member of staff been put on the new banding?
A: JC confirmed that from now on that would be the case. Savings would be sought on more expensive posts by starting lower down the scale.
- 9.9 CC confirmed that this would help with the Trust's KPI's because staffing costs should be no more than 80% of income. CC suggested that if someone was at the top of his/her band, then the Trust could consider a lump sum performance award in respect of that year only, which would be unrelated to pay.
- 9.10 **Q:** What would that type of payment be called? Was it a bonus or similar?
A: CC thought it could be referred to as a lump sum performance related payment, which was different from a bonus. DW recommended benchmarking that type of payment as well as considering non-payment types of opportunities as a reward for exceptional performance. The directors agreed that it would be important to be consistent in what was offered and to consider ways to avoid additional costs whilst incentivising staff.
- 9.11 **Q:** Is it standard for teachers to get both an inflationary increase to salary and a performance award annually?
A: CC said that some local authorities will set a performance-based percentage within the inflationary increase. An academy trust had more freedom to set its own rules, and some academy

trusts would separate out these items. The directors agree that this was likely a bigger piece of work than just setting the new pay-scales, and this would need more consideration.

9.12 Everyone agreed to revisit this when the proposal has been finalised. CC left the meeting at 12.20.

10. Review and approve expenditure over £10k

10.1 There was nothing to discuss.

11. Trust re-brand, name change & ICT updates

11.1 JC confirmed that the process was moving ahead well, and summarised key parts of this.

11.2 JC flagged that due to a Companies House backlog of approximately 2-3 weeks, she had been unable to register the new Trust name as planned. She asked the directors for their thoughts on informing parents of the rebranding before receiving confirmation of the name change from Companies House. JC had asked the Trust's legal team and was awaiting its advice. The directors agreed that it would be best to wait for the legal advice for confirmation that this approach was low risk, before writing to parents. **UPDATE 24/03/2021 – lawyers confirmed low risk to announcing name change before adopted at Companies House. Another organisation would have to register the same name in advance of our change in order for it to be a problem to the Trust.**

12. Health and safety matters & trust premises update

H&S external reports and risk assessments (WPA, TPA, DPA)

12.1 BG confirmed that the H&S audit been done today and highlighted key points from the documentation.

DPA

12.2 DPA had now had its external audit in January 2021, after its previous one had been postponed due to the lock down. BG ran through the issues raised and described the steps taken to remedy each of these. No outstanding issues remained.

WPA

12.3 The OCC external audit was due to take place in May 2021. This would be the first one since the school opened. At this time, an RPA audit would also be carried out, free of cost, by Willis Towers Watson. This would be a complete assessment of all H&S policies and processes at all three schools. In effect a double audit was taking place. BG had also taken part in a mock H&S trial offered by the same firm and she updated the directors on what she had learnt.

12.4 WPA was also taking part in a cyber-security pilot, which might identify some weaknesses which could be addressed. The end result would be that the school would be offered free training and cyber protection.

TPA

12.5 TPA had received its external audit in November 2021. Everything was in good order. Some training had been delayed due to lock down but had been put back into place.

SPA (Surbiton)

12.6 JC confirmed that the detailed drawings and plans had now been received from the design and build contractors. This was part of a pre-works contract. The school build contract could only take place once planning permission had come in. A planning meeting had taken place two weeks earlier between the planning authority, the DfE and the contractor. This had gone well, and items discussed included the sustainability of the building and its energy efficiency, noise reduction plans, and travel arrangements in and out of school. The detailed planning permission application was being drawn up and would be submitted with model policies, as well as data provided by the local authority.

12.7 Despite this progress, the timeline for the site demolition and the new build was very tight, and JC was hearing noises that it might not be possible to open the school in September 2022 as hoped. JC had not yet announced the Trust's plans in relation to the school, but there were 60 children in need of a school place.

12.8 Q: In relation to the planning application, would there be any issues concerning travel in and congestion? Would access to a busy road be affected?

A: JC said she would work around the requirements imposed by the planning authority, whether or not this involved a school street. She noted that Transport for London would be likely to assess the situation via a survey. TPA had won a gold award for its traffic reduction efforts and that had been a condition of the planning permission.

12.9 Q: Were there any issues to flag regarding the works ongoing at DPA?

A: BG and JC noted that there were issues with certain fire doors not closing properly, and with pipes in one of the school corridors. These items would be actioned as soon as it was possible to do so and were being kept under review.

12.10 Q: How were the roof repair works progressing at DPA?

A: BG confirmed that there had been massive progress, such as the fact that the roof was now on and watertight. However there were still niggles with the roof lights and other points like the connection of solar panels. Overall the number of outstanding jobs was getting much smaller. The bigger job was the grounds work, and the Trust would be going out to tender soon, so that the work could start to coincide with the better weather. It would cost in the region of £300-400k.

13. Review of Trust risk register

GLT Risk Register March 2021

13.1 There were no comments or questions on this.

14. Review LGPS discretions policy

14.1 JC had put this in front of the external advisor, who had reviewed it.

14.2 Q: Please would JC look again at the appendix as the responses to the comments did not match up.

A: JC would look at this. **ACTION - BG**

14.3 Q: Many of the comments in the document use a stock phrase referring to exceptional circumstances. Given the intended visibility of the document, and the possibility for this attracting challenge, please would JC ask for more clarity from the advisor about what this meant and if a clearer response was possible?

A: JC would do this and update the directors. **UPDATE 24/03/2021 HR advisor suggested the Trust use the term ‘The Trust will not normally exercise this discretion’ This will enable us to exercise discretion at our own discretion. And to determine our own ‘exceptional circumstances’, such as an employee’s partner has a terminal illness.**

14.4 The directors were happy with the document, pending receipt of further clarity from JC.

15. Review of investment policy

15.1 This would be moved to the July 2021 Trust Board agenda. **ACTION - CLERK**

16. Review data protection policy

16.1 BG confirmed that this policy and the GDPR processes at the Trust had been reviewed externally in January. The policy had been updated based on reviewer’s recommendations, to include an expansion of the remit of the termly GDPR meetings with office managers. Both JC and BG were now receiving ICO updates about legal changes required for data protection policies, which would help with policy compliance going forward.

16.2 The directors were happy with the policy.

17. Review equalities statement

17.1 This had last been reviewed in November 2020. JC was having this reviewed by an external company to improve and clarify the language for the intended audience. JC would bring this document back to the Board once comments had been received. **ACTION – JC**

18. Review teachers’ pay policy

18.1 The directors were being asked to recommend this for full Trust Board approval at the next Board meeting in July 2021.

18.2 Q: Was this policy aligned with the proposed pay band changes discussed earlier in the meeting?

A: BG said that once the pay band information had been agreed, then she would ask the external reviewer to build in the data to create a final and complete policy version. This would be put before the full Board for review. Directors were welcome to e-mail comments to JC and BG after the meeting prior to the July Board meeting. DW confirmed that she would do that.

19. Other policies for review

19.1 There were no other policies for review.

20. AOB

20.1 **UPDATE 24/03/2021: DW’s term of office to be extended to June 2021, having been due to end in March 2021, to allow for discussion of potential renewal at the 12th May 2021 Board meeting.**

Meeting Closed: 12.45pm

Next Operations Committee Meeting: Thursday 17th June at 11am

Actions from GLT Operations Committee Meeting of 17.03.2021

Action 1	Minute 7.9	JC to check Trust and school phone rental and call costs
Action 2	Minute 7.15	BG to check if SMP reclaim had been factored into reported maternity-leaver costs
Action 3	Minute 14.2 & 14.3	BG to seek advice on responses in LGPS discretions policy and ensure responses matched items properly
Action 4	Minute 15.1	Clerk to add review of investments policy to July 2021 Board agenda
Action 5	Minute 17.1	JC to bring updated equalities statement to July 2021 Board meeting – Clerk to note also