

Minutes of meeting

Finance and Capital Committee meeting

Date:	Wednesday 29 September 2021	Time:	10:40 – 12:30
Location:	TEAMS	Clerk:	Jennie Gardner
<p>Present: Andrew Jones, Trustee and Chair (AJ) Frances Hall, Trustee (FH) Ian Brookman, Trustee (IB) Alistair Thom, Committee Member (AT)</p> <p>In attendance: Nick Hudson, Chief Executive Officer and Trustee (CEO) (NH) Jo Dawson, National Director of Finance (NDoF) (JD) Sarah Vout, Head of Finance (SV) James Miller, National Director of Estates and Technology (NDoET) (JM) Janet Renou, Trustee (JR) Item 6 onwards Paul Hann, Chairman and Trustee (PH) Item 6 onwards</p> <p>No need for apologies as CL is not a committee member</p>			

	Item	Action
1.	Welcome and apologies	
1.1	The Chair welcomed everyone to the meeting and noted that JR and PH will be entering the meeting for item 6.	
2.	Approval of minutes from previous meeting	
2.1	The Trustees approved the minutes of the previous meeting as an accurate and true reflection, with no corrections.	
3.	Matters arising from previous minutes	
3.1	<p>The Chair highlighted that clarity had been provided in the last meeting around the use of the term contingency and brought forward reserves. The committee's approval was required prior to the utilisation of both of those funds.</p> <p>The Trustees asked what has happened to the closed items which related to items for discussion by the People Committee.</p> <p>The NDoF confirmed items relating to the People Committee had been communicated to the National Director of HR and that these would be included on the People Committee tracker and included on the next People committee meeting agenda.</p>	

4.	<p>Update on ICT Transformation</p>	
4.1	<p>The NDoET confirmed that there have been conversations with AT to work on the ICT strategy and how much this will cost.</p> <p>The Trustees asked the NDoF whether funding for this work was within the budget.</p> <p>The NDoF clarified that the projects that were being discussed related predominantly to Infrastructure and Security and that a holistic Technology and Digital strategy had yet to be developed. The NDoF further highlighted that ICT life-cycle planning, for which work was being performed during the Autumn term, was not included within the bottom-up budget.</p> <p>The budget did include resources that the NDoET had advised were required to deliver the Infrastructure projects and the adjusted forecast would, depending on approval of item 6 of the agenda, include an amount ring-fenced budget for cyber-attack prevention work.</p> <p>The NDoF further clarified that budget required to deliver against academy ICT development plans had not been allocated at an academy level but would be enabled by future allocations of the central contingency and brought forward reserves.</p> <p>The Trustees asked the NDoET to give an overview of the status of projects</p> <p>The NDoET discussed the workstreams that are taking place within the ICT Strategy.</p> <ul style="list-style-type: none"> ▪ Strengthening the IT head office team ▪ Centralised common ICT network across all academies and head office ▪ Protected internet connections ▪ Centralised cloud-based phone system ▪ ICT development plan for each academy ▪ Centralised procurement of ICT goods and services ▪ Cyber security strategy <p>The Trustees discussed the Cyber security strategy and what qualifies to be in Level Zero and Level One.</p> <p>The Trustees asked how engaged the academies are with the Cyber security strategy.</p> <p>The NDoET answered that the strategy had been communicated to academies via the principals' briefings, IT briefings, and a session with an external police force cyber security officer. All sessions were well attended by the academy IT teams.</p> <p>CEO confirmed that he had discussed the subject of Cyber risk during a recent Principals' forum and confirmed that principals understand the importance of taking prompt action to address this.</p> <p>The NDoET stated that despite this, some academies will require support in delivering change.</p> <p>The Trustees asked if there is a long-term capability or capacity issue with those academies who are not engaged.</p> <p>The NDoET is promoting professional development and upskilling these members of staff. It is a high priority to resource and upskill high calibre IT staff in academies who are capable of both delivering business as usual service and improvement work.</p> <p>The Trustees noted their ongoing support for this initiative and look forward to receiving an update on this via the new Director of IT in November 2021.</p>	

5.	<p>Update on Estates Transformation</p>	
5.	<p>The Trustees questioned why the level of some mandatory training courses are 10% and how many hours mandatory training will consume.</p> <p><i>IB left the meeting for 45 minutes due to other commitments.</i></p> <p>The Trustees enquired about the average time commitment required.</p> <p>The NDoET stated that most mandatory courses were 3 hours.</p> <p>The Trustees noted the complexity of Estates Management given OAT’s growth and the processes behind central control and forward planning.</p> <p>The NDoET gave an update on Bellrock’s performance and confirmed a Service Improvement Plan is in place. This will be reviewed in Autumn 2021.</p> <p>The NDoET confirmed that with the appointment of an OAT Web Developer, the OATnet portal is progressing, and the Health and Safety page is considerably more effective.</p>	
5.1	<p>The NDoET presented the paper of ‘Capital Allocation Strategy’ for Trustee approval.</p> <p>Option two is the recommended option and uses aggregated information from the Academy Premises Development Plans to identify and programme works over a three-to-five-year cycle.</p> <p>The Trustees approved the paper and welcome an update in future Finance and Capital committees on the strategic and financial impact together with an update on process.</p>	
5.2	<p>The NDoET presented the paper ‘Community Lettings’ for Trustee approval.</p> <p>The NDoET confirmed that both recommended companies (EDU Lettings Ltd. and School Lettings Ltd.) use the same IT system and therefore if academies wish to move between services, this will be a smooth transition. Academies choosing to use either of these services will also reduce in house administration and cash handling.</p> <p>The Trustees asked about the risk around income recovery.</p> <p>The NDoET confirmed that income will be transferred monthly from the supplier to OAT.</p> <p>The Trustees expressed concerns that this is an ‘opt-in’ only process and questioned those academies who are choosing not to opt in.</p> <p>The committee discussed the impact that size, quality of facilities and/or current lettings income of an academy will have on their decision making. This will be a phased approach.</p> <p>The Trustees approved the paper.</p> <p><i>The NDoET left the meeting.</i></p>	
6.	<p>Update on Finance Transformation</p>	
6.1	<p><i>JR and PH entered the meeting.</i></p> <p>The NDoF presented the paper for approval: Update on Financial Position of the Trust and approval of use of ring-fenced funds. The NDoF requests approval to invest £2.0m in additional</p>	

	<p>covid recovery and school improvement and £0.2m in cyber-attack prevention. The NDoF also requests approval to adjust forecast to reflect the risk regarding energy costs of £2.7m.</p> <p>The Trustees expressed concerns regarding the internal audit findings of Performance Management and recommended a review of the capacity needs of non-educational central teams e.g., Data and Governance.</p> <p>The NDoF agreed to review this with executives and report back to the committee. The NDoF highlighted that this review was already underway, and that additional headcount was planned within the school improvement element of the £2m request.</p> <p>The Trustees challenged the need to use contingency to manage the energy risk and questioned whether academies should be asked to absorb this within their budgets.</p> <p>The NDoF highlighted that the majority of contingency was held centrally following the implementation of increased partnership fees and target surpluses into the 21/22 budget process. However, the NDoF would be carefully reviewing all actual trends before deciding how and what to allocate to academies in the January forecast process.</p> <p>The Trustees support and approved the paper.</p> <p>Trustees reiterated the need to see improvement in Performance Management/ Governance Information at all levels as highlighted in the Internal Audit Report.</p> <p>CEO assured the committee that this is high priority for OAT Executive.</p>	
7.	Status of other major programmes / projects (including TBAP)	
7.1	<p>The NDoF stated that the incorporation of TBAP, now referred to as “London academies”, had gone well. She praised the work of Julia Hayes and other colleague in making this happen with the tight timeframe and over the summer holidays.</p> <p>The NDoF briefed the trustees on related risks and committed to provide an update on the status of SLA discussions at the next meeting. Trustees were most anxious to be assured of the likely future revenue of the London academies, given that this was potentially more volatile than the Trust’s other revenue streams.</p> <p>The Trustees gave thanks to Julia Hayes and colleagues for their hard work on TBAP integration.</p>	NDoF
9	AOB	
9.1	<p>The Trustees asked that Finance and Capital is timed before Audit and Risk for the November 2021 meetings.</p> <p>The Trustees and members of the committee agreed to meet in person for the next meeting on 24 November 2021. The location will be London.</p> <p>The Committee Chair, closed the meeting.</p>	
10	Date of next meeting	
10.1	Wednesday 24 November 2021	



ACHIEVING MORE TOGETHER