

The Oversight Trust

**Meeting of the Directors
19 October at 13:30–14:30**

BOARD AGENDA

		Presenter	<i>Documents</i>	<i>Timing</i>
1.	Introduction Apologies, Conflicts, Approval of Minutes and review of actions	Chair	<i>Minutes of 17 Sept Board meeting</i>	5 mins
2.	Annual Group Consolidated Accounts Presentation of Accounts Approval of draft accounts and representation letter	KPMG IH	1. Draft OT Annual Report and Financials (includes Audit Report) 2. Representation Letter 3. Statement of Directors' Responsibility	30 mins
3.	Diversity OT Diversity Policy discussion	Chair/SH	Diversity Paper	20 mins
4.	AOB Approval of revised Authorised Signatories Link Directors catch-up	Chair/AB	Authorised Signatories	5 mins

Next BST Board meeting: 19 November 2020 at 8:30-11:30am (YFF Deep Dive)

**Minutes of the meeting of the Board of Oversight Trust
1:30-2:30pm 19 October 2020**

In attendance, Board:

Sir Stuart Etherington (SE) Chair
 Stephen Howard (SH)
 Ian Hughes (IH)
 Jo Fox (JF)
 Nicola Pollock (NP)
 Kevin Davis (KD)
 Helen England (HE)
 Andrew Rose (AR)

Apologies:

Clara Barby (CB)

KPMG

Richard De La Rue, Audit Partner (RR) (for Item 2)
 Chris Heseltine, Audit Manager (CH) (for Item 2)

Other attendees

Tom Hutchby, Finance Manger BSC (TH) (for Item 2)
 Alastair Ballantyne, COO OT (AB)

		ACTION
1	<p>Introduction</p> <p>The Chair confirmed Apologies from CB and that there were no additional conflicts to declare.</p> <p>The minutes of the OT Board meeting on 17 September were approved.</p> <p>AB confirmed that actions arising from the last meeting had either been done or would come to the next OT Board meeting.</p>	<p>Sept 17 Board minutes to be published on the OT website – AB DONE</p>
2	<p>Annual Group Consolidated Accounts</p> <p>IH introduced the review of the Group accounts of OT.</p> <p>He noted that the Trust Group in its current form came into being during the 2019 financial year.</p> <p>There is an issue concerning the point in time when the accounts should reflect the consolidation of the four operating companies with the parent.</p> <p>Normally this takes place at the point of acquisition. For F4AF and YFF this would be the point in time when OT became their sole member (early December 2019).</p> <p>However, the accounting policy used by OT has been to consolidate these companies from their point of incorporation in February 2019 and recognise their set-up costs in the Group accounts. IH outlined the reasoning behind this being that from 2018, before their inception, there had always been the requirement for a TopCo to act as parent to the two companies. During the</p>	

	<p>period April/June 2019 it became apparent (and it is documented) that this entity would be The Big Society Trust (BST).</p> <p>RR talked about the audit process. KPMG had found no other areas of concern other than the issue of the date of consolidation discussed by the Board.</p> <p>He observed that the Directors' Report and the Strategic Report were unnecessarily long and too detailed. Going forward it would be beneficial to address this. AB indicated that there was an initiative to work with the OpCos on standardising the accounting approach for next year and that, with the helpful steer from KPMG, the issue of shortening OpCo disclosure would also be raised. It was recognised that lifting language directly from the OpCos' reports made it easier and more straightforward for them to review the consolidated report. RR suggested that the focus of the document should be on OT itself and its governance processes with an outline description of the businesses of the four OpCos rather than detailing their activities.</p> <p>RR also commented on timing of the production of the accounts. It would be helpful to have the OT accounts produced as soon as possible after the OpCos' own annual accounts to avoid the situation where something reported as "unknown" by the OpCo became "known" by the time of the consolidated accounts. It was emphasised that the lateness of the 2019 accounts had been caused by YFF's delay in producing its accounts until September. IH emphasised that there needed to be clear deadlines for the OpCos next year. [ACTION: AB to follow-up with OpCos.]</p> <p>AB confirmed that that all the OpCos had seen and had an opportunity to make comments on the draft of the consolidated accounts circulated after the last OT Board meeting.</p> <p>SH asked about the Representation Letter and if OT should be asking for Representation Letters from each of the OpCos. RR agreed that there would be sense in doing this (he commented that these internal assurances are more normal practice in the US where the CEO and CFO have specific personal responsibilities). The Representation Letter could come from the Board or the OpCo management – in the case of OT, he would envisage it possibly coming from the CFO of each OpCo.</p> <p>AR suggested that OT could ask the OpCos to see the Representation Letters that are provided by management. [ACTION: AB to explore what is possible with OpCos.]</p> <p>The Oversight Trust 2019 Annual Report and Financial Statements and the Representation Letter were formally approved by the Board. [ACTION: AB to arrange signature of Annual Report and Financial Statements.]</p>	<p>Arrange meeting with OpCos to discuss process, timings and content of the Consolidated 2020 Annual Report – AB</p> <p>AB to contact OpCos - DONE</p> <p>Arrange signing of Report & Accounts and filing at Companies House – AB DONE</p>
3	<p>Diversity</p> <p>SE reminded the Board that this topic had been carried over from the previous Board meeting as there had been insufficient time for a thorough discussion.</p>	

	<p>He outlined that the question was not only one of OT’s own governance but also to ensure that OpCos’ policies were effective in addressing the issue.</p> <p>SH as Chair of Nominations Committee agreed that OT should be addressing the issue in terms of its own policies on Board and staff recruitment and having a Diversity Statement. In practical terms, having appointed five new Board members in the last year, there was limited scope for action on OT’s own appointments in the immediate future. Rigour and transparency at the OpCo level should be encouraged. He pointed to the major effect that the OpCos could have on promoting the diversity agenda through encouraging and leveraging best practice across the sector. He also supported the idea of a practice group with the OpCos to focus the attention of the Group on this issue.</p> <p>The Governance Reviews should include diversity as part of the assessment of impact. It had been demonstrated by the BSC Quadrennial Review that this issue is a major concern amongst stakeholders and should be added to factors to be considered by future Reviews.</p> <p>It was noted that OpCos are all already actively engaged in many aspects of this issue and OT could play a role in developing a coherence of approaches within the Group.</p> <p>NP suggested that OT should look closely at the actions it could take itself in this area: as individuals; collectively as a Board; and as an oversight body. KD agreed and emphasised that there needed to be consideration of optics as well as substance in terms of OT being seen to embrace the agenda and working collaboratively with the Group as a whole.</p> <p>IH emphasised that there needed to be clarity in the Diversity Statement around what related to OT as a company and what was in reference to the Group as a whole. In particular, target setting could be very challenging for smaller groups – such as in the context of the OT Board.</p> <p>It was agreed that the practice group with the OpCos and including OT should be established and this could help inform the Board’s reflection on the questions raised in the paper so that clear actions could be developed in time for further consideration at the February Board meeting.</p> <p>[ACTION: SE to contact the OpCo Chairs to suggest establishing the Diversity Practice Group with OT.]</p> <p>It was commented that, as OT is looking for a Comms Resource, this would be a sensible topic to also address with them. [ACTION: AB]</p>	<p>Email to OpCo Chairs to initiate Practice Group – SE - DONE</p> <p>Feed into Comms Resource procurement -AB - DONE</p>
4	<p>AOB</p> <p>The Board approved the revised list of Authorised Signatories.</p>	

	SE suggested that the Link Directors could get together to compare notes and discuss approaches to the new role. [ACTION: AB to organise a call.]	Organise Link Directors' call – AB DONE
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Next meetings: 19 November at 8:30-11:00am (YFF Deep Dive).