



Audit & Risk Committee Meeting
Focus: Finance & ICT
Monday 28th September 2020 at 17:00 – 19:30
Via MS Teams

Those Present:		
Sue Shelley	Nexus MAT Director – Chair	SS
Steve Booth	Nexus MAT Director	SB
Ian Burns	Strategic ICT & Information Governance Lead	IB
Warren Carratt	Nexus MAT CEO	CEO
Joel Hardwick	Nexus Assistant CEO – Strategy & Partnerships	JH
Naveen Judah	Nexus MAT Director	NJ
James Kelly	Advisor to Committee	JK
Ray Palmer	Nexus MAT Director	RPa
Rachel Potts	Nexus MAT Director	RP
Cath Sands	Nexus MAT CFO	CFO
Emma Sheedy	Nexus MAT Clerk	Clerk
Apologies:		
No Apologies:		

1. WELCOME & APOLOGIES FOR ABSENCE	
1.1. To receive apologies for absence No apologies were received.	
1.2. To accept apologies for absence No apologies were received.	
2. ITEMS OF URGENT BUSINESS	
2.1. Chair to determine any items of urgent business to be considered There were no items of urgent business.	
3. DECLARATION OF INTERESTS	
3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda There were no declarations received.	
4. AUDIT & FINANCE MINUTES	
4.1. To approve the minutes of the following meeting: The minutes of the Audit & Finance Committee Meeting held on 21 st July 2020 were reviewed and agreed.	
4.2. Review of Action Tracker The outstanding actions on the tracker were reviewed and updated.	
4.3. Matters arising from the minutes There was a discussion regarding item 5.3. of the minutes of 21 st July 2020 and it was agreed that the CEO would liaise with Emma Heyes and arrange a showcase of the new Proactive online portal system. ACTION: CEO to liaise with EH and arrange an MS Teams showcase of the Proactive online portal before the next meeting.	CEO 16/11/20
5. ITEMS TO BE CONSIDERED	
5.1. High Level 12-month Delivery Plan The High Level 12-month Delivery Plan was overviewed by the CFO and discussion/challenge was as follows: The Chair queried the 'Disaster' tab and SB queried the November column. Following discussion, it was agreed for the CFO to convert the delivery plan to PDF going forward. ACTION: CFO to convert the delivery plan to PDF going forward.	CFO 01/02/21
5.2. Trust Budget Monitoring Report (July 2020) The CFO provided an in-depth overview of the Trust Budget Monitoring Report and highlighted the variations. Discussion and challenge was as follows: SB commented on item 1.3.5. which supported accurate budget setting and thanks were extended to the CFO.	

<p>RP queried receipt LA funding and the CFO confirmed all funding had been received.</p> <p>The Chair queried item 5.1. and why this was only until June 2021 and the CFO provided an explanation.</p> <p>SB queried the closing bank balance and the CFO explained that if the Schools had their own bank account this would have been their closing bank balance.</p> <p>RP queried how confident the CFO was regarding resolution of the HCSS accounting problems before the new 20/21 ledger opens in September and the CFO advised she was 40% confident but thankfully her team were highly skilled and managing to work with all the ongoing problems.</p> <p>NJ queried particulars of the cash flow spreadsheets and it was agreed for the CFO and NJ to meet and discuss before the next meeting. ACTION 1: CFO and NJ to meet and discuss the cash flow spreadsheets.</p> <p>There were lengthy discussions regarding the HCSS system problems and the CFO explained she had written to the MD of HCSS advising of the man hours spent trying to resolve basic problems. It was agreed for the CEO/CFO to review the way forward and advise the Committee in early 2021 of the Trust's Finance Management Systems. ACTION 2: CEO/CFO to review and advise the Committee of the Trust's Finance Management Systems.</p> <p>NJ queried 5.2.b and the variation to original budget for North Ridge and the CFO provided an explanation.</p> <p>The Chair queried carry forward for the Central Trust and the CEO explained this would be consumed by the new structure in-year, with a carry forward added to reserves.</p> <p>5.2.d was reviewed and the Chair queried need for a Director training session, however due to the ongoing HCSS issues it was agreed to revisit this at another time.</p>	<p>CFO 16/11/20</p> <p>CEO/CFO 01/02/21</p>
<p>5.3. Year End Deliverables</p> <p>The CFO provided an overview of Year End Deliverables.</p> <p>SB asked if it was the first time the document had been prepared and the CFO advised the document was issued last year also.</p> <p>NJ asked if the Trust have any trading subsidiaries and the CFO advised no.</p>	
<p>5.4. July Internal Audit Report</p> <p>The July Internal Audit Report was reviewed and challenge/discussion was as follows:</p> <p>The CEO provided context regarding the high priority weakness regarding reporting of related party transactions to the ESFA. The CEO and Committee accepted the recommendation and the process will be reviewed going forward.</p> <p>SB asked for clarification regarding the notification and this was provided.</p>	

<p>The Chair queried the weaknesses identified around basic accounting principles and the CFO advised that the Trust intend to appoint a Finance Apprenticeship who would pick this up.</p> <p>RPa queried how purchase orders compare to last year and the CFO explained this audit only targeted the new schools.</p> <p>The materiality of school credit cards were discussed in detail and the CFO outlined she is trying to strengthen systems to support the needs of the school but also comply with audit and compliance.</p>	
<p>5.5. Internal Audit Work Programme 2020/21</p> <p>The Internal Audit Work Programme 2020/21 was discussed/challenged as follows:</p> <p>The Chair queried the plan for more internal audit of the new schools joining us and the CFO made reference to the July deep dive.</p> <p>SB queried the sentence, “Report directly to the Chair of the Audit & Finance Committee as per section 3.5 of the 2020 AFH” and it was agreed for the CFO to follow this up and request that Hart Shaw liaise with the A&R Committee not just the Chair.</p> <p>ACTION: CFO to follow up with the internal auditor with regards reporting to the A&R Committee not just the Chair.</p>	<p style="text-align: right;">CFO 16/11/20</p>
<p>5.6 ICFP</p> <p>The CFO provided an overview of the first draft of ICFP, with context input from the CEO, explaining the toolkit was created by Outwood Academy Trust. The first draft was positively received by the Committee.</p> <p>RP queried if the ICFP will eventually go to the Standards Committee and link to outcomes and the CEO advised yes.</p> <p>SB queried how the ICFP is used to make the curriculum better and the CEO explained the purpose of the ICFP is for the DfE to look at broad metrics and averages on school's expenditure on teacher contact time.</p>	
<p>5.7. ICT Information Governance and Strategic Update</p> <p>IB presented the ICT Information Governance & Strategy Update.</p> <p>The Chair queried which text was the latest update and IB advised the black text. Due to the confusion, it was agreed that any queries on the Strategy Update should be emailed to IB. It was agreed for IB to include a date with all updates.</p> <p>ACTION 1: IB to include a date with all updates.</p> <p>The CEO provided context regarding the high number of FOIs. RP asked if the A&R Committee would receive any further information regarding the subject of FOIs and the CEO advised this could be provided easily.</p> <p>ACTION 2: IB & JH to restructure the ICT Information Governance and Strategic Update to include more FOI detail, to include themes.</p>	<p style="text-align: right;">IB 01/02/21</p> <p style="text-align: right;">IB/JH 01/02/21</p>

5.7.1. High Level 12-month Reporting Plan	
The Chair queried the red capita comment and IB provided an explanation. The CEO provided an update regarding a MIS review and that Bromcom is currently being piloted across a number of our academies for free.	
5.8. Changes to Leadership Summits	
The CEO advised the Committee that the November Leadership Summit had been cancelled due to COVID-19 and will now take place on 29 th June 2021.	
6. ANY OTHER URGENT BUSINESS	
6.1 To consider any other urgent business agreed by the chair None.	
7. CONFIDENTIALITY & RISK	
7.1 To consider the confidentiality of any items discussed during the meeting No items were deemed to be confidential.	
7.2 To consider any area new risks identified during the meeting Risks identified will be discussed at the next meeting.	
8. DATES OF NEXT MEETINGS	

Monday 16 th November 2020	17:00 – 19:30	MS Teams	Audit & Risk
Monday 1 st February 2021	17:00 – 19:30	Nexus HQ	Finance & ICT
Monday 8 th March 2021	17:00 – 19:30	Nexus HQ	Audit & Risk
Monday 10 th May 2021	17:00 – 19:30	Nexus HQ	Finance & ICT
Tuesday 29 th June 2021	16:00 – 19:00	Crags Community School	Leadership Summit
Monday 19 th July 2021	17:00 – 19:30	Nexus HQ	Audit & Risk

Minutes approved

CHAIR	SIGNATURE	DATE