



**Audit & Finance Committee Meeting**  
**Monday 20<sup>th</sup> November 2017 at 17:00 – 19:00**  
**at Nexus HQ**

**ACTION POINTS SUMMARY SHEET**  
**OUTSTANDING ACTIONS**

Agenda Ref:	Actions	By & Target Date
2.1.2 24/05/17	General Data Protection Regulations 2018 - Do members of staff annually sign policies? Governors should also sign up to agree to this policy <b>20/11/17 – staff sign some policies but not Governors at present IB to give further update</b>	<b>CFO/IB 05/03/18</b>
2.1.2 24/05/17	General Data Protection Regulations 2018 - Audit of use of personal devices in schools required <b>20/11/17 – IB to undertake an audit regarding bring your own device policy statement. Governorhub now stops meeting papers being sent to personal email addresses but it was highlighted that documents could still be downloaded onto personal devices. IB to continue to investigate the risk</b>	<b>CFO/IB 05/03/18</b>
5.1 24/05/17	Internal Audit Report - Revised and updated financial procedure manual to be developed to respond to audit points regarding consistency. <b>20/11/17 – Will be on job description of new Deputy Finance Officer</b>	<b>CFO 05/03/18</b>
5.6 24/05/17	National Cyber Attack - IB to request information & reassurance from all 3 <sup>rd</sup> party services – e.g. CPOMS, SIMS, FMS etc. <b>20/11/17 – thought to be completed but IB to confirm &amp; link with GDPR</b>	<b>CFO/IB 05/03/18</b>
4.2 20/11/17	Re Quality of LGB Finance Information. A discussion took place & action reframed. Member of A&F committee now to be involved in budget setting process at appropriate stage. <b>20/11/17 CFO to co-ordinate &amp; invite SB or SS to all school budget setting meetings from Jan – Mar 2018</b>	<b>CFO/ SB/SS 05/03/18</b>
4.2 20/11/17	Disaster procedures at MAT level. <b>20/11/17 Agreed to review disaster procedures for Nexus premises</b>	<b>CEO/CFO 05/03/18</b>
5.1 20/11/17	ICT Strategy Update, GDPR Update. <b>20/11/17 It was requested that IB provides a report to Audit &amp; Finance Committee giving brief highlights of key areas.</b>	<b>IB 05/03/18</b>
5.1 20/11/17	Directors need evidence that manual checks are being carried out on our ICT systems and that the system isn't being breached and is still working. Dated reports of nil returns should be printed and filed to prove the system is working and is being checked. Needs to be part of regular audit.	<b>IB 5/3/18</b>

	Schools should be also reporting changes to firewalls, awareness of using international search sites & incognito. <b>20/11/17 Request for IB to conduct these data reports and report back to A&amp;F.</b>	
5.1 20/11/17	ICT Strategy Update, E-Safety Update. <b>20/11/17 Request for IB from GDPR Project Plan to provide an update as to where we are re the implementation of the recommendations for ESafety – A one-page summary which should also include details of reports downloaded and results of audit of websites accessed. IB to develop a standardised report for each Audit &amp; Finance meeting to be ratified by CFO before circulation</b>	<b>IB/CFO 05/03/18</b>
5.2 20/11/17	High Level 12-month delivery plan. <b>CFO with IB to develop ICT strategy breakdown on plan to include internal ICT audit</b>	<b>CFO/IB 05/03/18</b>
5.4 20/11/17	Gender Pay Gap Analysis. <b>SS to work with CFO on document to be published.</b> Document to be shared at next committee meeting, Trust Board and with Headteachers and staff prior to publication	<b>CFO/SS 05/03/18</b>
5.5 20/11/17	Abbey Health & Safety Risk Audit. Links to RPA Risk Management Audit in Practice Guide? Mentioned in document but unable to access it. <b>CEO to investigate, find guidance document &amp; circulate to committee</b>	<b>CEO 05/03/18</b>
5.5 20/11/17	Abbey Health & Safety Risk Audit. Asbestos Registers how are these green when register not signed? <b>Action for CFO to check with SBM</b>	<b>CFO 05/03/18</b>
5.5 20/11/17	Abbey Health & Safety Risk Audit. School showers & Legionella risk discussed. <b>CFO to check with school re showers. Also Electricity &amp; fixed wiring issue to be addressed.</b>	<b>CFO 05/03/18</b>
5.5 20/11/17	Abbey Health & Safety Risk Audit. <b>Action plan required from report, needs to be compared against LA reports and actions undertaken recorded and brought back to next committee meeting. CEO to speak to Headteacher</b>	<b>CEO 05/03/18</b>
5.5 20/11/17	Abbey Health & Safety Risk Audit. <b>Noted that Participants on front page states Tracey Brooke CFO, CFO not present on the day. CFO to contact company to amend</b>	<b>CFO 05/03/18</b>
5.6 20/11/17	Write offs and Disposals. Mis-paid maternity payments. Employee needs to be flagged up so cannot return to work for Trust again until debt is paid. <b>CFO to inform school</b>	<b>CFO 05/03/18</b>
6.1 20/11/17	Pennine View – CEO reported one staff member leaving under voluntary redundancy without severance payment. ESFA guidance requires permissions for redundancy payments. <b>CFO to check compliance</b>	<b>CFO 05/03/18</b>

## COMPLETED ACTIONS

Agenda Ref:	Actions	By & Target Date
2.1.2 24/05/17	General Data Protection Regulations 2018 - Tim Pinto input has previously been on ESafety may be he might be able to assist Nexus in this area. CEO to investigate this. <b>20/11/17 - IB has scoped external advice if required. Formal E Safety Review reviews to take place in schools in June 18</b>	<b>Completed</b>
2.1.2 24/05/17	General Data Protection Regulations 2018 - Actions reviewed and need to be entered into Trust Plan – <b>20/11/17 – Completed &amp; Trust Plan has revised actions</b>	<b>Completed</b>

2.1.2 24/05/17	General Data Protection Regulations 2018 - LGB have discussed the use of personal devices in schools. Ensure statement in current policies <b>20/11/17 – Completed</b>	<b>Completed</b>
5.1 24/05/17	Internal Audit Report - CFO running training development so all SBMs understand the legislation. Peer review & job shadowing to take place <b>20/11/17 – Currently no qualified accountant employed at Nexus. New role of Deputy CFO currently being advertised with essential criteria of accountant qualifications so skills gap will be filled</b>	<b>Completed</b>
5.1 24/05/17	Internal Audit Report - Review of all SBM job descriptions & duties to be carried out <b>20/11/17 – Duties at Hilltop looked at but not across Nexus, all persons moved over under TUPE conditions</b>	<b>Completed</b>
5.1 24/05/17	Internal Audit Report - CEO & CFO to work with Headteachers to highlight the recommendations raised to ensure understanding across the Trust <b>20/11/17 – Completed – meeting with Heads to share Audit Report</b>	<b>Completed</b>
5.1 24/05/17	Internal Audit Report - CFO to raise with Philip Alsop at BHP & then ask Hartshaws to do additional work if BHP are not able to help <b>20/11/17 – undertaken by CFO, now completed</b>	<b>Completed</b>
5.2 24/05/17	Nexus Consolidated Accounts Report - SS to develop Finance Link Role Descriptor <b>20/11/17 – undertaken by CFO, completed</b>	<b>Completed</b>
5.2 24/05/17	12 month delivery plan - Free School bid to be moved to August, Financial Management Policy to be moved to July <b>20/11/17 – Free school bid removed from plan and Financial Management Policy moved to Feb 18</b>	<b>Completed</b>
5.5 24/05/17	Preventative Fraud Controls - Action plan to be brought back to committee before going back to Trust Board. To be included on Trust Board July agenda. <b>20/11/17 – Letter from ESFA felt that over &amp; above actions – completed &amp; report shared with Trust Board no need for action plan – completed</b>	<b>Completed</b>
2.1.2 20/07/17	Quality of LGB Finance Information - CFO to arrange with all Business Managers that: Action agreed – A Trust wide key performance indicator (KPI) to be established; that a written statement should support any budget monitoring to give information & explanation if there is any variance of 5% or more “+” or “-” in any budget account line, unless this has been previously agreed and explained in the in the assumptions and explanations document. CFO to instruct all Business Managers <b>20/11/17 – Completed</b>	<b>Completed</b>
2.1.2 20/07/17	Quality of LGB Finance Information - Action Agreed SB – to work in a Link role from the Audit & Finance Committee to work with any appointed Finance Link Governors & Business Managers - see note under 4.2 on this agenda <b>20/11/17 - Converted to new action</b>	<b>Completed</b>
5.1 20/07/17	ICT Strategy Update - Screen, Assess & Plan – CEO & CFO to take to Extended SLT meetings to impress that it is legislation & linked to the General Data Protection Regulation (GDPR) <b>20/11/17 – CEO had meetings with Heads</b>	<b>Completed</b>
5.1 20/07/17	ICT Strategy Update - Screen, Assess & Plan –Separation of duty needs to be made apparent in this document. Make Step 1 – Identify a Business Owner, appointment a Project Lead and show that support is available but that IB is not either of these positions. Move all other steps down one. IB to amend document prior to publication by Clerk <b>20/11/17 – Completed</b>	<b>Completed</b>
5.1	Write offs & Disposals - Agreed Process: -	<b>Completed</b>

20/07/17	<ol style="list-style-type: none"> <li>1. ICT Lead in school &amp; Headteacher to agree disposal/write off &amp; make recommendation to CFO</li> <li>2. CFO to make decision</li> <li>3. A&amp;F to review &amp; challenge</li> </ol> IB to amend step 3 in document prior to publication by Clerk <b>20/11/17 – On agenda see item 5.6</b>	
5.1 20/07/17	ESafety – Clerk to put on all A&F agendas <b>20/11/17 – Completed</b>	<b>Completed</b>
5.4 20/07/17	Review of Risk Register - CFO will give guidance and agreed that a template will be circulated to assist with the population of individual registers for each school <b>20/11/17 – On agenda see item 5.7</b>	<b>Completed</b>
5.4 20/07/17	Review of Risk Register - Date of when the risk was input be added. CFO to amend <b>20/11/17 – On agenda see item 5.7</b>	<b>Completed</b>
5.6 20/07/17	High Level Delivery Plan Update - Trading activities, possible that with the variety of projects across the school that collectively Nexus could be above the limit & required to pay tax CFO to investigate <b>20/11/17 – On agenda see item 5.2</b>	<b>Completed</b>



**Audit & Finance Committee Meeting**  
**Monday 20<sup>th</sup> November 2017 at 17:00 – 19:00**  
**at Nexus HQ**

**Attendees:**

Alan Meloy	Director	AM
Steve Booth	Director	SB
Sue Shelley	Director	SS
Warren Carratt	CEO Nexus MAT	WC
James Kelly	Advisor, E Director	JK
Tracey Brooke	CFO Nexus MAT	TB

**Also Present:**

Clare Southwell	Clerk	CS
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**Apologies:**

Ian Burns	Trust ICT Lead	IB
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1. APOLOGIES FOR ABSENCE	Actions
1.1 To accept apologies for absence Apologies had been received from IB	
1.2 To receive apologies for absence Apologies received and accepted	
2. ITEMS OF URGENT BUSINESS	
2.1 Chair to determine any items of urgent business to be considered Redundancy to be dealt with at item 6.1 on this agenda	
3. DECLARATION OF INTERESTS	
3.1 Individual Governors to declare any personal, business or other governance interests on any item on the agenda There were no declarations of personal or business interest	
4. APPROVAL OF COMMITTEE MINUTES	
4.1 To approve the minutes of the Audit & Finance Committee meeting held on 20 <sup>th</sup> July 2017 Minutes approved and signed	
4.2 Matters arising from the Minutes Updated actions from the minutes were noted above  Re Quality of LGB Finance Information. A discussion took place & action reframed. Finance Link Governors at LGB level appointed. Current process - LGB Link Governors, not Directors involved in budget setting. Member of A&F committee now to be involved. Director to be invited to 2018/19 budget setting meetings at appropriate stage. CFO to co-ordinate & invite SB or SS to all school meetings budget setting meetings  From minutes on 20 <sup>th</sup> July 17 Disaster procedures at MAT level. At present all risks are from school level. Once Nexus has central offices a plan for the Trust will be developed. Agreed to review but it was noted that there is no data stored on site and that it is all stored and backed up via a link to Abbey School	<p style="text-align: center;"><b>CFO/ SB/SS</b></p> <p style="text-align: center;"><b>CFO</b></p>
5. ITEMS TO BE CONSIDERED	
5.1 ICT Strategy Update GDPR Update GDPR update by CEO. Continuing to implement project plan developed by IB. Named Controllers, Processors & Operators appointed and in place. Letters being prepared for all families, will go out when full list of data is completed. All moving forward & general awareness updates ongoing. Nexus is ahead of where we need to be. It was requested that IB provides a report to Audit & Finance Committee giving brief highlights of key areas. This was agreed  Not many school dates between next meeting & implementation of GDPR so need to be rubber stamping everything at next meeting in March 18  Capacity of ICT Lead work was discussed. Current model is within our resources, but	<p style="text-align: center;"><b>IB 05/03/18</b></p>



<p>would need to look at capacity as MAT growth continues.</p> <p>E-Safety Update                  Update by CEO. Each school has own project manager, changes to some Designated Safeguarding Leads (DSL) in some schools. Report is a useful baseline for DSL. Another review 2<sup>nd</sup> Spring half-term. It is a priority &amp; continually addressed at LGB level as part of safeguarding. Request for IB from GDPR Project plan to provide an update as to where we are re the implementation of the recommendations for ESafety – A one-page summary which should also include details of reports downloaded and results of audit of websites accessed. Directors need evidence that these manual checks are being carried out and that the system is still working. Dated reports of nil returns should be printed and filed to prove the system is working and being checked. Needs to be part of regular audit. Schools should be also reporting changes to firewalls, awareness of using international search sites &amp; incognito. IB to develop a standardised report for each Audit &amp; Finance meeting to be ratified by CFO before circulation</p>	<p><b>IB/CFO</b>  <b>05/03/18</b></p>
<p>5.2 High Level 12-month delivery plan (including Internal Audit schedule)                  CFO reported on Version 4, shows all work strands. Scheduled next internal audits with auditors (BHP) &amp; School Business Managers (SBMs) for 5<sup>th</sup> February 2018 &amp; June 2018. This will be followed by an external audit &amp; also peer review in October 2018 to be led by new Deputy Finance Officer who will be appointed shortly.</p> <p>New line in plan to track Health &amp; Safety (H&amp;S). Abbey School were randomly selected by DfE (RPA) for external H&amp;S audit which has been completed. Report to be discussed at item 5.5 on this agenda. Other H&amp;S audits also arranged for other schools in Trust. These will be carried out under the SLA that is already in place with the Rotherham LA. Will undertake a management review &amp; then provide full report. Headteachers have also discussed the benefits of the external review undertaken at Abbey where the company gave advice on Disaster Recovery Plans, Lockdown Policies and wider live issues. Directors questioned whether H&amp;S is part of an Ofsted inspection, it was agreed that a school could fail if H&amp;S was not up to standards but it is not looked at in depth in a Section 8 inspection. LGB will look at any reports received in detail &amp; any risks identified will be dealt with by the school or escalated to Trust Risk Register</p> <p>On Delivery Plan red items are statutory deadlines but all on track, includes deadline for LGB budget monitor reports are to go to the LGB Leadership &amp; Management focused meetings</p> <p>CFO with IB to develop ICT strategy breakdown on plan to include internal ICT audit</p> <p>SBM regular update network meetings also included</p>	<p><b>CFO/IB</b>  <b>05/03/18</b></p>
<p>5.3. External Audit &amp; Accounts prep update                  CFO reported that BHP have undertaken additional accountancy work, bridging work from summary trial balances to final reports. Had to pay additional for accountancy work but this will reduce the costs of the final audit. Items to go into action plan –to report back to Accounting Officer/CEO. Philip Alsop from BHP coming to Trust Board meeting on 20<sup>th</sup> December 2017 to present the first full year account to Directors</p>	

#### 5.4. Gender Pay Gap Analysis

HR paper explains why this analysis has to take place. Legislation that information has to be published on website by 31<sup>st</sup> March 2018 to cover analysed data up to 31<sup>st</sup> March 2017 for 250+ employees. At this point Pennine View was not part of the Trust so the data reported does not include Pennine View School so employees at March 17 was only 239 but felt to be beneficial to undertake analysis as will be applicable next year when Pennine View is included, also allows for any issues raised to be addressed. Staff data received from HR payroll & spreadsheets that have informed information added into the 6 key areas & tables that need to be published. Three key areas do not apply to the Trust as the Trust does not pay bonuses. So just 3 key areas to be report on

- Mean gender pay gap
- Median
- Proportion of Males & females

Analysis shows that Nexus have a higher than average pay gap of 19.58% when UK national average is 18.1%. Men are paid £14.57 and Women £11.72 gap of £2.85.

36 Men and 203 Women employed across the Trust

Within Gender Pay quartiles it shows that more females are in the higher quartile so difficult to understand why gender pay gap is shown. There is no discrimination within Nexus and national pay scales and LA policies are adopted for all employees without any link to gender. It is felt that the areas that affects the figures is the higher proportion of females to males in the lower paid positions

Although not legally required to publish it is felt that it would be good practice as Nexus is close to the 250 limit.

Trial company FDM shows links to their reports & CFO feels that their format of reporting is very clear. Need to also information on how addressing within the company. Wide breadth of range of salaries within Nexus but same rates of pay whether male or female for all positions. CFO needs to contextualised the calculated pay gap, need to scrutinise data in more detail. Concern re gap, how will colleagues who see the report and information react? FDM report talks about initiatives & recruitment, need to address issues for stakeholders & employees. CFO requested a Director to work with her on the analysis to produce the document to be published. SS Agreed to assist. Document to be published shared at next committee meeting, Trust Board and with Headteachers and staff prior to publication. Not sure how improvements can be made and feel that report will be more detrimental than beneficial. Nexus can categorically say that men are not paid more than a female counterpart in the same role.

**CFO/SS**  
**05/03/17**

#### 5.5. Abbey Health & Safety Risk Audit

Very useful document, but noted that rag rating colours are different to those normally used. Blue indicates full compliance. Trust has named competent person. Inspector also asked for LA qualifications & experience. Discussion re responsible person in individual schools, different arrangements in each school. Do we need an internal person with qualifications in each school? Lynn Newby – LA Premises Manager visits schools does site walk rounds & regular checks & ensures compliance. Possibility in future, growth of Trust position of Estates Manager who would also undertake capital infrastructure and bids for capital projects.

Links to RPA Risk Management Audit in Practice Guide? Mentioned in document but unable to access it. CEO to investigate, find guidance document & circulate to committee

**CEO**



<p>Page 15 – Asbestos Registers how green when register not signed? Action for CFO to check with SBM</p> <p>Lots of recommendations for areas considered green in report which are only partially compliant.</p> <p>School showers &amp; Legionella risk discussed. CFO to check with school re showers. Also Electricity &amp; fixed wiring issue to be addressed</p> <p>Action plan required from report, need to be compared against LA reports and actions undertaken recorded and brought back to next committee meeting</p> <p>Noted that Participants on front page states Tracey Brooke CFO, CFO not present on the day, but it was Karen Blakemore Business Manager who was present. CFO to contact company to amend</p>	<p><b>CFO</b></p> <p><b>CFO</b></p> <p><b>CEO</b></p> <p><b>CFO</b></p>
<p>5.6. Write offs and Disposals                  Reports from 2016/2017, mostly nil reports? Reports for 2017/2018 now show some disposal. Reports for 2017/2018 now includes a variety of items – including writing off dinner money debt. Explanation given by CFO.</p> <p>Mis-paid maternity payments, seems early to write off if only happened recently. Employee needs to be flagged up so cannot return to work for Trust again until debt is paid. CFO to inform school.</p>	<p><b>CFO</b></p>
<p>5.7. Review of Risk Register and Issues Log                  Risk Register (RR) &amp; Issues Log (IL) circulated with the agenda. Date not showing on may be quite static but IL will show the work undertaken to address risk issues. IL show live items that Directors need to be aware of, this will be updated on a regular basis &amp; all issues are within the RR.</p> <p>Issues 1.1 &amp; 1.2 - question on how crucial are Director &amp; Governor vacancies? Not crucial, all LGB membership above number in constitution, LGB Governors do leave for a variety of reasons, LGBs have no legal status, will need to review if this is the best structure of Governance as we move forward. External reviews undertaken &amp; analysis of NGA needs audit ongoing. Outcomes will inform training for spring &amp; summer 18.</p> <p>Issue 2.5 – child on role RPI? Restrictive Physical Intervention</p> <p>Issue 3.1 – equitable funding? LA currently receiving Ofsted inspection so meeting moved back to 4<sup>th</sup> December. Two strands to be addressed, Headteachers ensuring funding is relevant to current needs of pupils; CFO discussing the future of Element 3 funding, base or bespoke packages. Hilltop &amp; Kelford funding was still not have equal but after discussions with the LA this matter has been rectified. Pennine View schools is receiving funding from DMBC High Needs Block which is underspent. Pennine View &amp; Abbey Schools receive similar funding. Pennine View have a cumulative underspend part of which was moved into central Nexus reserves on conversion. This money is ring fenced for Pennine View but legally will have to be used as company money if a crisis arrives where company money is required.</p>	

<p>5.8. Trust Financial Management                  Mostly covered in previous areas, outstanding actions from previous internal audit. JF gave update of actions from action plan and circulated hard copy.                  If same issued raised again as an issue in 2016/2017 audit the item will be addressed immediately.</p>	
<p><b>6. ANY OTHER URGENT BUSINESS</b></p>	
<p>6.1 To consider any other urgent business agreed by the Chair                  Redundancy                  CEO reported on situation at Pennine View where a team within the school was not running efficiently and value from staffing not received. One staff member leaving under voluntary redundancy without severance payment. ESFA guidance requires permissions for redundancy payments. CFO to check compliance</p>	<p><b>CFO</b></p>
<p><b>7. CONFIDENTIALITY &amp; RISK</b></p>	
<p>7.1 To consider the confidentiality of any items discussed during the meeting                  There were no confidential items</p>	
<p>7.2 To consider any areas of risk discussed during the meeting                  Abbey School Health &amp; Safety Audit?</p> <p>Directors requested to see the RRs for the schools. Do they know difference between risks &amp; issues &amp; that risks can be escalated to the Trust if necessary? Capacity for Directors to look at all RRs? If there was a H&amp;S issue the responsibility will stop with the Directors.</p> <p>RRs for schools have been pre populated and are going to LGBs to their next Leadership &amp; Management focus meetings. Schools need to take ownership. Large learning curve, many environmental &amp; external risks. Abbey H&amp;S report raises awareness that H&amp;S is not compliant &amp; there are issues &amp; gaps. Need to look at future structure to ensure cover over area of estates &amp; property.</p>	
<p><b>8. DATES OF NEXT MEETINGS</b></p>	
<p>8.1 Dates of meetings for 2017/2018</p> <ul style="list-style-type: none"> <li>• Monday 5<sup>th</sup> March 2018 at 17:00 – 19:30 at Nexus HQ</li> <li>• Wednesday 18<sup>th</sup> July 2018 at 17:00 – 19:30 at Nexus HQ</li> </ul>	

**Minutes approved**

CHAIR	SIGNATURE	DATE
<p>ALAN MELOY</p>		