



Audit & Risk Committee Meeting
Focus: Audit & Risk
Monday 16th November 2020 at 17:00 – 19:30
via MS Teams

Those Present:		
Sue Shelley	Nexus MAT Director – Chair	SS
Steve Booth	Nexus MAT Director	SB
Warren Carratt	Nexus MAT CEO	CEO
Joel Hardwick	Assistant CEO – Strategy & Partnerships	JH
Emma Heyes	Nexus Corporate Governance & Projects Manager	EH
Naveen Judah	Nexus MAT Director	NJ
James Kelly	Advisor to Committee	JK
Ray Palmer	Nexus MAT Director [RPa joined the mtg at 17:57 and apologised for joining late]	RPa
Rachel Potts	Nexus MAT Director	RP
Catherine Sands	Nexus MAT CFO	CFO
Emma Sheedy	Nexus MAT Governance Clerk	Clerk
Apologies:		
No Apologies:		

1. WELCOME & APOLOGIES FOR ABSENCE	
<p>1.1. To receive apologies for absence</p> <p>No apologies were received.</p> <p>The Chair advised the committee that RPa would be joining late due to work commitments.</p>	
<p>1.2. To accept apologies for absence</p> <p>No apologies were received.</p> <p>The Chair advised the committee that RPa would be joining late due to work commitments.</p>	
2. ITEMS OF URGENT BUSINESS	
<p>2.1. Chair to determine any items of urgent business to be considered</p> <p>None.</p>	
3. DECLARATION OF INTERESTS	
<p>3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda</p> <p>None.</p>	
4. AUDIT & FINANCE COMMITTEE MEETING MINUTES	
<p>4.1. To approve the minutes of the following meeting:</p> <p>The minutes of the Audit & Risk Committee meeting held on 28th September 2020 were reviewed and agreed.</p>	
<p>4.2. Review of Action Tracker</p> <p>The outstanding actions on the tracker were reviewed and updated.</p>	
<p>4.3. Matters arising from the minutes</p> <p>There were no matters arising.</p>	
5. ITEMS TO BE CONSIDERED	
<p>5.1. Trust Risk Register</p> <p>The Nexus MAT Risk Register had been shared in advance of the meeting and comments/challenge were as follows:</p> <p>The CEO provided a verbal overview, explaining new comments were in green type. RP commented on the usefulness of the updates and commended all for their input. The Chair added she felt it was a strategic and dynamic approach.</p> <p>The CEO explained that further discussion should follow regarding the robustness of financial management systems and suggested inclusion of a residual insecurity around the accuracy of LA financial reporting on maintained schools prior to conversion.</p> <p>ACTION: CEO to add a residual insecurity around the accuracy of LA financial reporting on maintained schools prior to conversion.</p>	<p>CEO 08/03/21</p>

The Chair queried the reporting of near misses and EH advised there is nothing currently in place. **RPa commented on the importance of capturing this** and it was agreed that EH would consider this further, in conjunction with the adoption of the InterAktive portal.

ACTION 3: EH to further explore reporting of near misses, in conjunction with the adoption of the InterAktive portal.

EH
08/03/21

5.3.1. Bader at The Bridge

EH provided an in-depth update.

RPa queried the fire door problem and EH provided context.

5.3.2. Hilltop School

EH explained that Hilltop School had its fire and health and safety audits completed in August 2020 and a total of 13 actions were identified, 6 of which have already been completed, 1 is in progress and 5 have not reached their start date. These were mainly in relation to the fire audit identifying several parts of the building where MDF has been used to create new walls/structures. ProAktive have recommended that these be replaced with plasterboard. This work will be commissioned over the next couple of months.

RP further queried the MDF issue at Hilltop and the anticipated costs to rectify this. EH agreed to look into this further and provide an update before the next meeting.

ACTION 1: EH to update the committee regarding costs to remedy the MDF issue at Hilltop.

EH
ASAP

RPa also queried the MDF issue and if the works had been undertaken since the last fire audit and it was agreed for EH to clarify this and also explore if this was signed off by Building Control.

ACTION 2: EH to update the committee regarding the MDF issue; timing of the fire audit in association with works carried out and if the works were signed off by Building Control.

EH
ASAP

5.3.3. Kelford School

EH provided an in-depth update.

5.3.4. Pennine View School

EH explained that Pennine View School had its fire and health and safety audits completed in July 2020 and a total of 7 actions were identified, 5 of which have already been completed, 1 is in progress and one hasn't reached its due date. The outstanding actions involve a noise survey being conducted in the technology room and obtaining an up to date gas certificate. Work has started on getting both of these actions completed.

JK queried the gas safety certification and EH explained that a compliance register will be introduced, which will be explored with the ProAktive system.

<p>The committee thanked EH for her efforts and clear reporting.</p> <p>[EH left the meeting at 18:55]</p>	
<p>5.4. September Budget Monitoring Report</p> <p>The CFO summarised the various reports tabled, which had been shared with the committee in advance of the meeting with discussion/challenge as follows:</p> <p>a. <u>September Consolidated Monitoring</u> SB queried the definitive carry forward, in addition to the 19/20 outturn, and asked for approximate figures and the CFO provided unofficial figures. However, the CFO stated that the figures are not confirmed, due to Craggs and Bader pupils requiring bespoke packages.</p> <p>SB queried item 3.5 of the September Board Report regarding £300k of extra funding from RMBC for Hilltop and queried the net effect and the CFO advised this is balanced with an accrual.</p> <p>RP queried funding from Sheffield LA for Hilltop and Becton and the CFO provided an update.</p> <p>The Chair queried item 1.3.9 on Page 4 regarding STADM and the CFO provided context.</p> <p>b. <u>Cash Flow Forecast</u> There were in-depth discussions regarding the Supplementary Budget Report regarding Craggs, which was queried/challenged by the committee. RP queried the potential of achieving balance and the CFO advised of the decision to reverse the last 2 years' partnership fees and provide a SI grant, to generate a nil balance on conversion. SB and NJ supported this. The committee commented that the Trust need to learn from this and NJ suggested that going forward the Trust should request a letter of comfort from the LA, prior to conversion.</p> <p>The Chair expressed concern for the pupils and what the likely impact is on the children and the CEO commented that this is at the heart of a credible recovery plan.</p> <p>c. <u>Balance Sheets</u> The Balance Sheets had been shared with the committee in advance of the meeting and the CFO provided a summative overview.</p>	
<p>5.5. Draft Asset Register</p> <p>JH provided a verbal overview of the draft Asset Register and outlined the strategic objectives. Discussion/challenge was as follows:</p>	

<p>The Chair queried the life span of estates and JH explained about the works commissioned by Five Rivers, which will provide an asset management plan for each of our schools and will be subsequently formulated into an overall plan, to be presented at the next meeting.</p> <p>SB asked of the report author and JH advised himself, with input from the CEO. SB commented positively on the report.</p> <p>RP queried capital allocation and JH provided context.</p> <p>The CEO commented that next steps is for the Register to be updated with SCA funding and will then be tabled at the December TBoD meeting. ACTION: CEO/JH to update the Draft Asset Register with SCA funding and table at the December TBoD meeting.</p>	<p>CEO/JH ASAP</p>
<p>5.6. Audit Tracker</p> <p>The CFO virtually shared her desktop screen and provided a verbal overview of the Audit Tracker.</p> <p>RP queried routine testing and the CFO advised this will be more structured and a higher priority in 2020/21, via peer scrutiny.</p>	
<p>6. ANY OTHER URGENT BUSINESS</p>	
<p>6.1. To consider any other urgent business agreed by the chair</p> <p>6.1.1. The CEO advised that approximately 10% of total pupil population were currently self-isolating/distance learning.</p>	
<p>7. CONFIDENTIALITY & RISK</p>	
<p>7.1. To consider the confidentiality of any items discussed during the meeting</p> <p>No items were deemed to be confidential.</p>	
<p>7.2. To consider any area new risks identified during the meeting</p> <p>Risks identified were agreed at 5.1. and will discussed at the next meeting.</p>	
<p>8. DATES OF NEXT MEETINGS</p>	

Monday 1 st February 2021	17:00 – 19:30	MS Teams	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