



**Audit & Finance Committee Meeting
Wednesday 24th May 2017, 16:30 – 18:30
at Hilltop School, Larch Road,
Maltby, Rotherham S66 8AZ**

ACTION POINTS SUMMARY SHEET

Agenda Ref:	Actions	By & Target Date
4.4 02/11/16	<p>Cost from Capita to consolidate all Nexus accounts being explored by CFO. Details of programme being investigated prior to purchase as the Capita proposal needs to be scalable to add other schools in line with MAT growth 06/03/2017 different option now available - Capita add on/module required very expensive & FMS already not delivering service required. Spoken to other MATs & investigated PS Financials - good but very expensive; HCSS Financials good reports, had demo & investigated spoken to & visiting other MATs already using it. Very reasonable set up & training costs & licence fees. Web based, live & more flexible & accessible</p> <p>24/05/17 – Further investigation has showed that FMS might not be being used to its potential. Previous information on FMS was received from the LA. Directors impressed the importance on ensuring that any system met all the statutory functions required and the costs of any bolt/add on that the program might need to meet these requirements. Further investigations are still ongoing. CFO to report back to committee</p>	CFO Next meet
2.1.1 24/05/17	ESafety & Information Governance External Reports - Ian Burns (IB) Nexus ICT Lead to attend future meetings. CFO to arrange	CFO Sept 17
2.1.1 24/05/17	ESafety & Information Governance External Reports - On future agendas ICT items will be list first	Clerk Sept 17
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	CEO Sept 17
2.1.2 24/05/17	General Data Protection Regulations 2018 - Actions reviewed and need to be entered into Trust Plan	CFO Sept 17
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	CFO/IB Sept 17
2.1.2	General Data Protection Regulations 2018 - Do members of staff annually	CFO/IB

24/05/17	sign policies? Governors should also sign up to agree to this policy	Sept 17
2.1.2 24/05/17	General Data Protection Regulations 2018 - Audit of use of personal devices in schools required	CFO/IB Sept 17
5.1 24/05/17	Internal Audit Report - CFO running training development so all BMs understand the legislation. Peer review & job shadowing to take place	CFO Sept 17
5.1 24/05/17	Internal Audit Report - Review of all BM job descriptions & duties to be carried out	CEO/CFO Sept 17
5.1 24/05/17	Internal Audit Report - Revised and updated procedure development manual to be developed	CFO Sept 17
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	CEO/CFO Sept 17
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	CFO Sept 17
5.2 24/05/17	Nexus Consolidated Accounts Report - SS to develop Finance Link Role Descriptor	SS Sept 17
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	CFO Sept 17
5.3 24/05/17	Review of Risk Register - SS & TB to continue to develop & share when ready. Owners of risks to be informed	SS/CFO
5.5 24/05/17	Preventative Fraud Controls - CFO to assess & discuss with schools & develop action plan	CFO
5.5 24/05/17	Preventative Fraud Controls - Action plan to be brought back to committee before going back to TBoD. To be included on Trust Board July agenda	CFO/Clerk Sept 17
5.6 24/05/17	National Cyber Attack - IB to request information & reassurance from all 3 rd party services – e.g. CPOMS, SIMS, FMS etc.	CFO/IB Sept 17



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Attendees:

Alan Meloy	Director	AM
Steve Booth	Director	SB
Sue Shelley	Director	SS
Warren Carratt	CEO Nexus MAT	WC

Also Present:

Clare Southwell	Clerk	CS
Tracey Brooke	CFO Nexus MAT	TB

Apologies:

Jayne Fitzgerald	Director	JF
James Kelly	Advisor/Associate	JK

1. APOLOGIES FOR ABSENCE	Actions
<p>1.1 To accept apologies for absence</p> <ul style="list-style-type: none"> • Apologies had been received from JF & JK • At Trust Board Meeting on 15th March 2017 Catherine Hall was appointed as named Director for Safeguarding. It was also agreed that CH would withdraw from Audit & Finance Committee and be appointed to Standards Committee <p>1.2 To receive, but not accept, apologies for absence</p> <ul style="list-style-type: none"> • Apologies received and accepted 	
2. ITEMS OF URGENT BUSINESS	
<p>2.1 Chair to determine any items of urgent business to be considered</p> <ul style="list-style-type: none"> • ESafety & Information Governance External Reports • General Data Protection Regulations 2018 <p>It was agreed that both items would be dealt with immediately</p> <p>2.1.1 ESafety & Information Governance External Reports</p> <ul style="list-style-type: none"> • It was not clear which reports had been received • It was felt that it would be beneficial for Ian Burns (IB) Nexus ICT Lead to attend future meetings. CFO to arrange • On future agendas ICT items will be list first <p>2.1.2 General Data Protection Regulations 2018</p> <ul style="list-style-type: none"> • GDPR update & review circulated • All regulation to be in place by May 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 • Actions reviewed and need to be entered into Trust Plan • Changes not discussed at school level. Important to ensure that it is communicated correctly • CEO is accountable officer for Information Governance • LGB have discussed the use of personal devices in schools. Ensure statement in current policies • Do members of staff annually sign policies? Governors should also sign up to agree to this policy • Audit of use of personal devices in schools required 	<p>CFO</p> <p>Clerk</p> <p>CEO</p> <p>CFO</p> <p>CFO/IB</p> <p>CFO/IB</p> <p>CFO/IB</p>
3. DECLARATION OF INTERESTS	
<p>3.1 Individual Governors to declare any personal, business or other governance interests on any item on the agenda</p> <ul style="list-style-type: none"> • There were no declarations of personal or business interest 	
4. APPROVAL OF COMMITTEE MINUTES	
<p>4.1 To approve the minutes of the Audit & Finance Committee meeting held on 6th March 2017</p> <ul style="list-style-type: none"> • Minutes approved and signed 	
<p>4.2 Matters arising from the Minutes</p> <ul style="list-style-type: none"> • Updated actions from the minutes were noted above 	

5. ITEMS TO BE CONSIDERED	
<p>5.1 Internal Audit Report</p> <ul style="list-style-type: none"> Results of first internal audit Pennine View was not included as this was carried out in April 2017 Some recommendations for schools detailed and CFO has visited schools to ensure that these are addressed. These actions were not picked up in the full audit <p><i>SS - In Abbey School, a purchase for hall carpets could not be agreed to a purchase order. The authorisation of the expenditure was made verbally by the Headteacher but no documentary evidence was produced. Issue highlighted – are there set procedures in place for school staff to follow?</i></p> <ul style="list-style-type: none"> It was thought that this could have an action that took place over a holiday period but Directors were concerned that basic procedures were not be adhered to <p><i>SS - At Hilltop and Kelford School mileage claims are being posted to a basic pay nominal code rather than a travel costs nominal code. Travel nominal codes should be used for mileage costs. Does this mean that the incorrect tax and NI are being paid?</i></p> <ul style="list-style-type: none"> The payroll for both schools is carried out by the LA. It is felt that the LA will have calculated it correctly but that the information has been put into FMS by the school staff incorrectly Not all Business Managers (BMs) have financial qualifications. Training to be offered to all BMs. Previously schools BM worked to the needs of each individual school so very little standard practice across the schools. CFO running training development so all BMs understand the legislation. Peer review & job shadowing to take place. CFO does not line manage the BMs but is responsible to ensure that recommendations are implemented Review of all BM job descriptions & duties to be carried out Revised and updated procedure development manual to be developed Additional columns on recommendations – progress & responsibility needs to be recorded. TB to develop recommendation report & rag rate CEO & CFO to work with Headteachers to highlight the recommendations raised to ensure understanding across the Trust. Auditors have not highlighted that we are in breach of regulations but it is felt that some of the items raised are in breach of internal protocol so issues are to be raised as a training and development issue. Responsibility and accountability needs to be with the schools Unplanned Budget Forecast Return Outturn (BFRO) has had to be produced and in July another BFO is also due. BHP not able to help, other Accountants did complete returns for other MATs <p><i>SB – Are you advising to change accountant provider?</i></p> <ul style="list-style-type: none"> BHP engaged heavily at first but have drifted. CEO having to remind them of deadline dates. Difficult to judge as no previous experience The additional return was not included in the original scope & BHP did not have flexibility to adapt to the new return Feel it may be beneficial to have the same company for the full year Need to highlight to BHP that they were not helpful even when offer to pay for extra service CFO to raise with Philip Alsop at BHP & then ask Hartshaws to do additional work if BHP are not able to help 	<p style="text-align: center;">CFO</p> <p style="text-align: center;">CEO/CFO CFO</p> <p style="text-align: center;">CEO/CFO</p> <p style="text-align: center;">CFO</p>

<p>5.2 Nexus Consolidated Accounts Report</p> <ul style="list-style-type: none"> Accounts previously circulated to Trust Board Scrutiny at LGB level but at differing levels <p><i>SS - What is the level of scrutiny expected by Directors?</i></p> <ul style="list-style-type: none"> Directors need to be confident that the LGBs have knowledge of the budget. LGBs need to be shown to be challenging HTs especially at the budget setting stage SS to develop Finance Link Role Descriptor LGBs to be looking at budget setting and the mechanics of setting a budget, comparable data used for benchmarking & best value Benchmarking carried out on previous year as budget is set Governor conversations with schools as budget is set Budget assumptions and budget setting annotation details presented to LGBs Annotations of variance should be update with each report to give a full story Benchmarking to be carried out nationally against SLD & MLD schools CEO & CFO are accountable along with the Headteachers Agreed at recent Trust Board meeting that ring fenced reserves above 5% to be moved from schools to central funds The 12 month delivery plan was reviewed Two red areas: Free School bid, delayed due to General Election agreed to be moved to August Review of Financial Management Policy will be addressed shortly agreed to be moved to July CFO to amend plan as agreed Company Tax Return complete and submitted TPS certificates submitted 	<p style="text-align: center;">SS</p> <p style="text-align: center;">CFO</p>
<p>5.3 Review of Risk Register</p> <ul style="list-style-type: none"> SS & TB added risk owner column Work still ongoing, rewording of issues to highlight the risk Still testing out the levels Some need developing into a model for the schools SS & TB to continue to work on it & share when more work completed rather than waiting to next meeting Only wording on risks and risk owners addressed currently Agreed for SS/TB to continue on development Owners of risks to be informed Future reports across the trust which highlight risks must be linked into the document TBoD challenge meeting in July to discuss 	<p style="text-align: center;">SS/TB</p>
<p>5.4 Procurement Review</p> <ul style="list-style-type: none"> CFO ongoing work in school with Best Value work 	
<p>5.5 Preventative Fraud Controls</p> <ul style="list-style-type: none"> Two documents circulated at meeting Fraud document circulated to BMs prior to incident Actions followed Fraud Risk Management Strategy Fraud Policy & Strategy to be developed & reviewed against Fraud Indicators Benchmarking and training 	

<ul style="list-style-type: none"> • Learning from events & still receiving information • Fraud Strategy & Action Plan to be developed <p><i>SB – Who will be doing the assessments against the review before developing the action plan?</i></p> <ul style="list-style-type: none"> • CFO to assess & discuss with schools & develop action plan • Action plan to be brought back to committee before going back to TBoD • To be included on Trust Board July agenda 	<p>CFO Clerk</p>
<p>5.6 National Cyber Attack, reassurance from outside providers</p> <ul style="list-style-type: none"> • Item raised form Trust Board of how we can seek assurance from external providers that school data is safe and secure • IB to request information & reassurance from all 3rd party services – e.g. CPOMS, SIMS, FMS etc. • It may be that they are unable to give reassurance but the Trust will have been proactive in requesting the information 	<p>CFO/IB</p>
6. ANY OTHER URGENT BUSINESS	
<p>6.1 To consider any other urgent business agreed by the Chair at item 3</p> <ul style="list-style-type: none"> • There were no items of urgent business 	
7. CONFIDENTIALITY	
<p>7.1 To consider the confidentiality of any items discussed during the meeting</p> <ul style="list-style-type: none"> • There were no confidential items 	
8. DATES OF NEXT MEETINGS	
<p>8.1 Dates of meetings for 2017/2018</p> <ul style="list-style-type: none"> • The draft meeting planner had been circulated to all Directors 	

Minutes approved

CHAIR	SIGNATURE	DATE
ALAN MELOY		14/06/2017