



**Audit & Finance Committee Meeting
Thursday 20th July 2017, 17:00 – 19:00
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>Trust Financial Management Program - 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</p> <p>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. 20/07/17 – Meeting taken place with HCSS and SBS, AM & Business Managers. Recommendation to move to bolt-ons provided by SBS for the FMS program which will also allow remote access which will allow the CFO to access. SBS will take information from FMS & provide budget monitoring. This will be interim period of improvement which will allow more time to investigate other financial packages. It is hoped in the longer term to move away from FMS & to move to a different platform possibly HCSS in April 19. SB – Have costings for future changes been included in future plans? TB- yes included. CFO to update at future meetings. Item to be on all agendas</p>	Completed
2.1.1 24/05/17	<p>ESafety & Information Governance External Reports - Ian Burns (IB) Nexus ICT Lead to attend future meetings. CFO to arrange</p>	Completed

2.1.1 24/05/17	ESafety & Information Governance External Reports - On future agendas ICT items will be list first	Completed
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 20/11/17
2.1.2 24/05/17	General Data Protection Regulations 2018 - Actions reviewed and need to be entered into Trust Plan	CFO 20/11/17
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 20/11/17
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	CFO/IB 20/11/17
2.1.2 24/05/17	General Data Protection Regulations 2018 - Audit of use of personal devices in schools required	CFO/IB 20/11/17
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 20/11/17
5.1 24/05/17	Internal Audit Report - Review of all BM job descriptions & duties to be carried out	CEO/CFO 20/11/17
5.1 24/05/17	Internal Audit Report - Revised and updated procedure development manual to be developed	CFO 20/11/17
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 20/11/17
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 20/11/17
5.2 24/05/17	Nexus Consolidated Accounts Report - SS to develop Finance Link Role Descriptor	SS 20/11/17
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 20/11/17
5.3 24/05/17	Review of Risk Register - SS & TB to continue to develop & share when ready. Owners of risks to be informed 20/07/17 on agenda at item 5.4	Completed
5.5 24/05/17	Preventative Fraud Controls - CFO to assess & discuss with schools & develop action plan 20/07/17 completed & action plan developed	Completed
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 20/11/17
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 20/11/17
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	CFO 01/09/17
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	CFO 01/09/17
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)	CEO/CFO 20/11/17
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	IB/Clerk 20/11/17

	that IB is not either of these positions. Move all other steps down one. IB to amend document prior to publication by Clerk	
5.1 20/07/17	Write offs & Disposals - Agreed Process: - 1. ICT Lead in school & Headteacher to agree disposal/write off & make recommendation to CFO 2. CFO to make decision 3. A&F to review & challenge IB to amend step 3 in document prior to publication by Clerk	IB/Clerk 20/11/17
5.1 20/07/17	ESafety – Clerk to put on all A&F agendas	Clerk 20/11/17
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	CFO 20/11/17
5.4 20/07/17	Review of Risk Register - Date of when the risk was input be added. CFO to amend	CFO 18/09/17
5.4 20/07/17	Review of Risk Register - All future Trust Board agendas to include circulation of most recent Risk Register and review any risks discussed and agree Risk Owner, at end of meeting at same time as review of confidentiality	Completed
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	CFO 20/11/17



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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
Andrew Child	Member & Chair of Trust Board of Directors	AC
Tracey Brooke	CFO Nexus MAT	TB
Jill Fowler	Trust Finance Officer	JF
Ian Burns	Trust ICT Lead	IB

Apologies:

Jayne Fitzgerald	Director	JFitz
James Kelly	Advisor/Associate	JK

1. APOLOGIES FOR ABSENCE	Actions
1.1 To accept apologies for absence <ul style="list-style-type: none"> • Apologies had been received from JFitz & JK 	
1.2 To receive, but not accept, apologies for absence <ul style="list-style-type: none"> • Apologies received and accepted 	
2. ITEMS OF URGENT BUSINESS	
2.1 Chair to determine any items of urgent business to be considered 2.1.1 Financial Management Governance Self-Assessment (FMGS) Pennine View July 2017 <ul style="list-style-type: none"> • FMGS form previously completed on opening of Nexus & conversion of Abbey, Hilltop & Kelford • FMGS form needs to be completed again for Pennine View within four months of them joining the Trust. Information is the same as previously seen by Directors. TB has all the evidence but this does not need to be attached to the electronic submission • Form approved for submission to ESFA 2.1.2 Quality of LGB Finance Information <ul style="list-style-type: none"> • Kelford School finance papers still not in a good place with many inaccuracies • Budget Monitoring sheet for May 6.67% when should have been 84.05% • Audit trail would not be accurate • LGB should scrutinise the budget, but in future there will not be any Directors on LGB • Papers should be checked prior to forwarding to Clerk for circulation • Passive resistance to the importance of Governance • Different format between schools • Abbey & Hilltop both valid & accurate • Kelford have 5 year backdated data but Hilltop does not have that available • Kelford assumptions sheet not included and not circulated • All member schools should be consistent • Agreed that a written statement should support all budget monitoring to give information & explanation <p><i>SB - What information has gone to ESFA?</i> TB - Budget approved at Trust Board will be the one input into the format for ESFA</p> <p><i>WC – Have we got a concern about the financial management at Kelford School?</i></p> <ul style="list-style-type: none"> • As Accounting Officer the CEO does not have a concern about the way the school is conducting its finances but does have a concern about transparency and the school’s view of importance about accurate information for Governors which leaves the LGB vulnerable as they cannot say they have seen accurate evidence. For reasons beyond an above the control of Kelford School and the issue with the LA & the Minimum Funding Guarantee and the LAs inability to be able to confirm places has meant that the school has not been able to provide secure information on their income. This would not be such an issue if reports were checked before circulation and the school were prepared to answer questions & challenges. As a leadership tem we need to work with the school to make things better for next year <p><i>WC – In the absence of Directors on LGBs what more detailed information is required by</i></p>	

<p><i>this committee?</i></p> <ul style="list-style-type: none"> At start of Trust all finance reports went via CFO prior submission to Directors/Governors, now papers submitted direct from the schools 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 arrange with all Business Managers. CFO to instruct all Business Managers Action Agreed SB – to work in a Link role from the Audit & Finance Committee to work with any appointed Finance Link Governors & Business Managers 	<p>CFO</p> <p>SB</p>
<p>3. DECLARATION OF INTERESTS</p>	
<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 	
<p>4. APPROVAL OF COMMITTEE MINUTES</p>	
<p>4.1 To approve the minutes of the Audit & Finance Committee meeting held on 24th May 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 	
<p>5. ITEMS TO BE CONSIDERED</p>	
<p>5.1 ICT Strategy Update</p> <p>5.1.1 Privacy Impact Assessment (PIA)</p> <p>5.1.2 Privacy Impact Assessment change process</p> <p>5.1.3 Updated GDPR Plan</p> <ul style="list-style-type: none"> Documents to support the PIA had been circulated with the agenda <p>Screen, Assess & Plan – Procedure Guidance</p> <ul style="list-style-type: none"> Project Management ethos to way Nexus plan and run projects Proposal that any new projects that include any ICT or finance to work to these guidelines All based on ISCO recommendations <p><i>SS – Will there be training for school staff to ensure it is adhered to?</i></p> <ul style="list-style-type: none"> AM – This is not an IT problem it is a business management issue. Project Managers need to understand responsibilities <p><i>AM – How do we sell this to the schools for them to take it on board & take ownership?</i></p> <ul style="list-style-type: none"> TB – Take to Extended SLT meetings to impress that it is legislation & linked to the General Data Protection Regulation (GDPR) SS – Plan needs to be embedded in the schools with IB there for guidance and advice but not to act as the Project Lead <p><i>AC – Separation of duty needs to be made apparent in this document</i></p> <p><i>SS – Should an additional step be added – Make Step 1 – Identify a Business Owner, appointment a Project Lead and show that support is available but that IB is not either of</i></p>	<p>CEO/CFO</p>

<p><i>these positions. Move all other steps down one?</i></p> <ul style="list-style-type: none"> Agreed IB to amend document prior to publication by Clerk <p><i>AC – Who in Nexus is going to check that this is being done?</i></p> <ul style="list-style-type: none"> WC – The implementation of processes is still ongoing with the new legislation. This is new and this document should be used to change attitudes and shape behaviours when working with data. This should be linked into procurement processes. IB - Any project with data have to be on the GDPR data register and have unique number – historic information will also have to be fitted into the plan. All data recorded requires an owner <p><i>SB – How will this be scrutinised? Will it be through Ofsted?</i></p> <ul style="list-style-type: none"> IB – Internal mechanisms & external review, we have contacts with Tim Pinto who could do a compliance check <p><i>SB – But who checks the compliance?</i></p> <ul style="list-style-type: none"> WC – It is not regulated but is legal duty is breeched the Information Commissioner Office will pass judgement and can give large fines for breeches <p><i>AC – Who overseeing the role of GDPR?</i></p> <ul style="list-style-type: none"> WC - CEO is Accounting Officer, IB is a processor, Headteachers are local controllers, Business Managers are processors. At meeting with Heads CEO gave a clear vision that projects should be led by the schools and not by the Trust. If led by Trust wide then schools would lose control. New systems apply to all in UK. Need to make sure that this is scoped into current plans and that all understand there will be support & training <p><i>IB – Can we make training compulsory/mandatory as this is a legality & a legal requirement, from Business Managers to Governance?</i></p> <ul style="list-style-type: none"> WC – specific skill set and governance is voluntary, need to look at this in more detail <p><i>SB – How do you decide what is included in this & what is a project?</i></p> <ul style="list-style-type: none"> IB – It is any project where data is stored, can be some template projects <p><i>SB – Will it impact on Risk register?</i></p> <ul style="list-style-type: none"> IB - Yes in plan for projects to be added to register <p><i>SS – Pupil Information – At the start of every year a letter is sent out to parents asking for updated contact information - would that be a new project?</i></p> <ul style="list-style-type: none"> IB – It is a function of a system. The information is currently held on SIMS so is already under current data protection systems. <p><i>SS – It is the written transfer of this information from home to school where information could go astray, is that a project?</i></p> <ul style="list-style-type: none"> AM – All historic systems and procedures will be put into the register <p>It was noted that Nexus is dealing with this issue in plenty of time prior to legal implementation so time to develop procedures & undertake training</p> <p>5.1.4 Write offs & Disposals</p> <ul style="list-style-type: none"> Different procedures in schools across Nexus New procedures in line with GDPR & audit 	<p>IB/Clerk</p>
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<p><i>good. Is that the case?</i></p> <ul style="list-style-type: none"> • TB – The scores are subjective & influenced by the writer so that is why it is important for this to be a document of collective ownership <p><i>SS – Should we be able to show when the risk has changed – arrow up or down or change colour of text?</i></p> <ul style="list-style-type: none"> • WC – offered a view - As Directors of Nexus which is a company, a Risk Register is a means of capturing our headlines of risk & reflecting on them regularly and that will change in the nature of business. Risk reducing or increasing will be about context which will be recorded elsewhere so do we need a register that plots travel or a register that is reviewed regularly but is not a project tracking document? A Risk Register should be reviewed and is reflective of our reality at any one time? Directors should provide challenge. • More information on back with heat map listing how many in each area previously & how many in current report • Re one item in high risk area – CFO not currently understanding school disaster procedures so still in red <p><i>AC – What about disaster procedures at MAT level?</i></p> <ul style="list-style-type: none"> • At present all risks are from school level. Once Nexus has central offices a plan for the Trust will be developed • CFO has talked to schools about Risk Registers & will give guidance and agreed that a template will be circulated to assist with the population of individual registers for each school <p><i>SB – Should the date of when the risk was input be added?</i></p> <ul style="list-style-type: none"> • Yes agreed to be beneficial, CFO to amend • Agreed - All future Trust Board agendas to include circulation of most recent Risk Register and review any risks discussed and agree Risk Owner, at end of meeting at same time as review of confidentiality 	<p>CFO</p> <p>CFO</p> <p>Clerk</p>
<p>5.5 Trust Financial Management</p> <ul style="list-style-type: none"> • Verbal update rather than repeating consolidated papers which were circulated at recent Trust Board meeting • All to plan, reserves healthy, outcomes looking good • All work cross references with Trust Board papers, Risk Register & external audit review & reports • ESFA do not visit inspect unless problems • When new budget is sent to ESFA they will check reserves, cash flow and ensure that there are no deficit budgets set. They have some KPIs & if we hit green for Nexus there will be no further contact until the next report/budget is due. If reports are late or deadlines missed this will raise a flag & may trigger further investigation • Compliance file kept to evidence that we are compliant in areas of regulation • Ofsted will want to see Directors when the schools are inspected & will want to know how are Directors moving schools forward in their quality of provision? • Need to be aware to keep the balance how Directors report on the schools 	
<p>5.6 High Level Delivery Plan Update</p> <ul style="list-style-type: none"> • If left of line & red not completed, if black completed 	

<ul style="list-style-type: none"> • A&F Committee are the base to ensure HMRC & Tax returns are completed on time • Free School application is shown is red as it has been delay but this has been delayed at national level not by Nexus • Teacher Pension Scheme return to be done by schools & HR provider, CEO has not checked that it is completed so still red • Audit 1 for new school year is still to be planned • Corporation Tax return, is a nil return but still need to be assessed • Trading activities, possible that with the variety of projects across the school that collectively Nexus could be above the limit & required to pay tax i.e. pupil's activities & enterprise projects, letting of school premises etc. Extended service project need to be looked as to whether this is eligible. Business Managers have been requested to report all details to CFO. CFO to investigate • AM – review will also be a learning journey to find out which are good enterprise activities to undertake & which create liabilities 	CEO
<p>5.7 ESFA response to Fraud actions</p> <ul style="list-style-type: none"> • The response letter from the ESFA had been circulated with the agenda • ESFA felt Nexus had gone over & above requirements • ESFA would like to use us as a case study for training for others 	
6. ANY OTHER URGENT BUSINESS	
<p>6.1 To consider any other urgent business agreed by the Chair</p> <ul style="list-style-type: none"> • Items of urgent business had been dealt with at the start of the meeting 	
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"> • Monday 20th November 2017 at 17:00 – 19:30 – Hilltop School • Monday 5th March 2018 at 17:00 – 19:30 – Hilltop School • Monday 2nd July 2018 at 17:00 – 19:30 – Hilltop School 	

Minutes approved

CHAIR	SIGNATURE	DATE
ALAN MELOY		27/09/2017