

**Trust Board of Directors Meeting
Thursday 9th February 2017, 17:00 – 18:30
at Kimberworth Children's Centre
Kimberworth Rd, Rotherham S61 1HE**

ACTION POINTS SUMMARY SHEET

Actions		By & Target Date
4.2 11/10/16	Audit & Finance Committee to review Reserves Policy & Development Investment Policy On A&F agenda 06/03/17	Completed
4.1 13/12/16	Future structure of TBoD, inclusion of LGB Chairs to be reviewed On agenda 15/03/17	Completed
4.2 13/12/16	Information Governance & Governance access to data - CFO to work with ICT Lead to continue to develop On Stan agenda 20/03/17	Completed
5.4 13/12/16	Policy review - WC/JC to work with JT & Clerks on policy review On Stan agenda 20/03/17	Completed
6.1 13/12/16	School Improvement Strategy action plan to be added to CEO Termly report to evidence added value	CEO 17/05/17
6.2 13/12/16	Liquidity Ratios - will be ready for audit and in next report	Completed
6.5 13/12/16	CEO to circulate Application for Free School to Directors when completed On agenda 15/03/17	Completed
4.2 18/01/17	Budget Report, item 4.2 in report is now a broader rational. CFO to amend	CFO 15/03/2017
4.2 18/01/17	Budget Report, item 3.4PAN numbers CFO to amend	CFO 15/03/2017
4.2 18/01/17	CEO & CFO to meet with LGB Chairs to set a format of expectations	CEO/CFO/Chairs 15/03/17
4.2 18/01/17	Table to be included to track all bid applications - Bid/ Reason For Application /Successful / if not why not	CFO 15/03/17
6.1 18/01/17	Safeguarding - WC/CH/SS to look at expectations of training for Directors	WC/CH/SS 15/03/2017
6.5 18/01/17	ICT Lead to assist Directors with set up of new email accounts	CEO 15/03/2017
8.1.1 18/01/17	Nexus schools undertake accreditation, CEO to look into systems in place and report back	CEO 15/03/2017
8.1.2 18/01/17	National Funding Consultation - As Nexus we ought to offer response as elements around special schools	Completed
8.1.3 18/01/17	P16 Area review - JC to investigate who to contact and how to be involved	Completed

8.1.4 18/01/17	P19 Review - WC looking to pilot a project for Hilltop & Kelford Leavers in July 2017	CEO 18/03/2017
8.1.7 18/01/17	School Improvement Lead - JI & AB to work with WC as task group to look at role and future requirement for position	JI/AB/CEO 18/03/2017
5.1 09/02/17	Reserve levels need to be set On A&F agenda 06/03/17	Completed
5.1 09/02/17	The A&F Committee will agree on areas to be addressed. Their decision will be based on areas of risk On A&F agenda 06/03/17	Completed
5.1 09/02/17	BHP will be able to create this report in time for the next meeting of the A&F Committee on 6 th March 2017 On A&F agenda 06/03/17	Completed
5.1 09/02/17	Chair to send letter of thanks to be sent to all staff involved	Completed
5.1 09/02/17	BHP will send accounts to EFA	BHP/CFO 06/03/17
5.1 09/02/17	Accounts to be published on website	BHP/CFO 06/03/17
5.2 09/02/17	Related Parties Summary Forms, Clerk to ensure all completed	Clerk 15/03/17
8.1 09/02/17	CEO to check on date/timing of AGM as next Audit will not be completed until after 31 st August 2017	CEO 15/03/17



**Trust Board of Directors Meeting
Thursday 9th February 2017, 17:00 – 18:30
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Attendees:

John Coleman	Director / Member & Vice Chair of Trust Board of Directors	JC
John Irwin	Director / Chair Abbey School LGB	JI
Steve Booth	Director / Chair Hilltop School LGB	SB
Sue Shelley	Director / Chair Kelford School LGB	SS
Alan Meloy	Director	AM
Peter Castleton	Director	PC
Catherine Hall	Director	CH
Warren Carratt	CEO Nexus MAT	WC

Also Present:

Clare Southwell	Clerk	CS
Tracey Brooke	CFO Nexus MAT	TB
Philip Allsop	Partner BHP	PA

Apologies:

Andy Child	Director / Member & Chair of Trust Board of Directors	AC
Amanda Benton	Associate Director	AB
Jayne Fitzgerald	Director	CH

1. APOLOGIES FOR ABSENCE		Actions						
1.1	To receive apologies for absence <ul style="list-style-type: none"> • Apologies ere received from AC, AB, JF 							
1.2	To receive, but not accept, apologies for absence All apologies were received and accepted							
2. ITEMS OF URGENT BUSINESS								
2.1	Chair to determine any items of urgent business to be considered <ul style="list-style-type: none"> • Introduction of Trust Board development sessions 							
3. DECLARATION OF INTERESTS								
3.1	Individual Directors to declare any personal, business or other governance interests on any item on the agenda <ul style="list-style-type: none"> • There were no declarations or personal or business interest 							
4. TRUST BOARD OF DIRECTOR MINUTES								
4.1	To approve the minutes of the following meetings: TBoD meeting held on 18 th January 2017 <ul style="list-style-type: none"> • The minutes will be approved at the next meeting on 15th March 2017 	Clerk 15/03/17						
4.2	Matters arising from the Minutes <ul style="list-style-type: none"> • All matters arising will be dealt with at the next meeting on 15th March 2017 	Clerk 15/03/17						
5. ITEMS FOR APPROVAL								
5.1	Approval of Audit <ul style="list-style-type: none"> • Welcome to Philip Allsop from BHP & introductions • BHP undertaken an audit from 1st June 2016 to 31st August 2016 • A funds summary was circulated at the meeting • PA explained the summary and gave explanations & details of the different funds • PA explained the Pension reserve fund and the variation of forecasts. This figure is led by the South Yorkshire Pension and the 3 yearly figure is due to be received shortly that will allow more secure predictions for the next 3 years • Free reserves are bottom line figures 							
	<table border="1"> <thead> <tr> <th>Questions & Challenges</th> <th>Response</th> <th>Further action(s)</th> </tr> </thead> <tbody> <tr> <td><i>Is the pension figure a figure that should worry us?</i></td> <td>No it is an accounts figure, the contributions that you pay are the figures that Nexus need to be aware off. Will soon be receiving 3 year figure that will set the payment for 3 years from 1st April 2017. The deficit is underwritten by DfE, liabilities are covered by fixed assets</td> <td></td> </tr> </tbody> </table>	Questions & Challenges	Response	Further action(s)	<i>Is the pension figure a figure that should worry us?</i>	No it is an accounts figure, the contributions that you pay are the figures that Nexus need to be aware off. Will soon be receiving 3 year figure that will set the payment for 3 years from 1 st April 2017. The deficit is underwritten by DfE, liabilities are covered by fixed assets		
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<p><u>Statement of Financial Activity</u></p> <ul style="list-style-type: none"> • Details of Members & Trustees • Balance sheet as at 31st August 2016 was discussed in detail • Cash flow details, not a true reflection at present as payments made in advance. This will balance out in the future 								

Questions & Challenges	Response	Further action(s)
<i>Five members with share capital of £10 each is that included in the figures?</i>	There is no share capital in an Academy. It is a guarantee and not actually paid so does not show	
<i>Some MATs have been served with financial notices due to deficits. Would this show in these budget sheets.</i>	If the account sheets showed no balance in the general funds or GAG accounts then you would know there was a problem. PA has dealt with schools who have had and are having to approach EFA due to possible short comes. It is better to talk to the EFA early and develop a recovery plan	
<i>Cash flow – peaks & troughs, Can TB predict where the up & downs will be?</i>	TB has set a level where it will flag up when near buffer. Projections in FMS should be able to show any anomalies or times where cash flow will be near buffer limit	
<i>Would reserves be in cash flow statement</i>	Reserves are built up and held in an account so would show on cash sheets	
<i>Is there anything that BHP as our Independent Auditor has found that Directors should be aware of that has become apparent?</i>	Although a Reserves Policy is in place, reserve levels need to be set. There is a fine line balance between keeping reserves and spending on pupils. As a MAT there is now no buffer or support from LA. Will take a few years to set up reserves.	A&F Committee 06/03/17

Reserves

- Nexus has already set Reserve percentage levels
- Levels set in accordance with guidance from Charities Commission
- Nexus has set 2 to 5%. PA did feel that 2% is a low level
- Highest percentage allowed by EFA is set at 10%
- SEN is a complicated model of funding
- Funding follows the child so if a child leaves suddenly there could be funding to reimburse to appropriate LA. This could be a large figure especially if pupil on a bespoke bans
- Staffing is linked to pupil funding so there could be obligations to continue to pay staff whilst giving them notice
- Nationally high ratio of MAT living with high levels of reserves
- Reports that CFO already produces to Trust Board will show the balances with predictions of where Nexus wants to be
- TB working with schools to look at school reserves
- Possible new finance systems with “Stop & Warn System” when buffer levels are near
- Need to get it right at school level which will ensure the best financial outcomes for pupils
- Already producing individual school accounts & consolidated accounts including MAT funds

- Page 40 shows clear figures and gives notes to the financial statement
- Page 42 shows split between schools & MAT funds
- Pages 45 to 47 shows assets & liabilities brought forward individually for each school
- On conversion schools started on almost a zero balance. Schools have taken on Contribution to MAT & have still been able to forecast small reserves
- Credit to Head Teachers on their budgeting
- Unrestricted funds (previously School Fund Accounts SFA) now included in revenue & are under the control of Directors but the funds are ring-fenced
- Previously this information was not included with the delegated budgets and the accounts were audited independently from the maintained delegated accounts

Questions & Challenges	Response	Further action(s)
<i>How was SFA previously used?</i>	There was no budget setting or formal spending plans set for SFAs as no salaries were allowed to be paid from the SFA	
<i>The accounts are set on the Strategic Objectives and objectives 1 & 7 are set as our primary business. Is there anything in the accounts that relates to objective 2 to 6?</i>	Accounts over the 1 st period and the establishment of the MAT so focus on 1 & 7 to start with. In the next period it is thought that all objectives will feature strongly and evidence of impact will show	
<i>What is the audit plans focus for future?</i>	There will be interim audits May 17 & July 17. The A&F Committee will agree on areas to be addressed. Their decision will be based on areas of risk	A&F Committee 06/03/17
<i>Will future report show previous figures to allow comparison?</i>	Yes but will be difficult to compare this audit with the next one as this period is only for 3 months. BHP is part of a national benchmarking group so in future will create a report showing comparisons with other special schools. There are only about 10 specials in group nationally but this will give some benchmarking information. Report will also cover reserves & percentages of other schools	
<i>When will this report be available as it will be very beneficial?</i>	BHP will be able to create this report in time for the next meeting of the A&F Committee on 6 th March 2017	PA benchmarking Report

Audit Findings

- Thanks to schools, Head Teachers & Business Managers for their assistance
- Lots of accruals & timing issues on first report due to setting up period
- SOFA – Statement of Financial Activities

<ul style="list-style-type: none"> • Report shows external issues raised & responses already in put place • Good indicators – and areas being addressed quickly so good procedures put in place from the beginning • Audit was based on 1st three months so procedures were still being set up • Standard end of months procedures with a check list of procedures set up for all schools that is ticked, signed & sent to TB by all Business Managers at the end of each month • There are issues around RMBC & their training, TB looking for alternative providers <p><u>Comments</u></p> <ul style="list-style-type: none"> • Set of accounts – very commendable, very clear and concise • Comment from Chair who was not able to attend – very good read • Thank you to all involved, first audit dealt with very professionally • Chair to send letter of thanks to be sent to all staff involved • PA stated that Accounts need to be approved and Declaration to be signed by Chair <p><u>Formal Approval</u></p> <ul style="list-style-type: none"> • Directors discussed their findings • The Chair made a formal proposal to approve accounts • Directors made a unanimous agreement to approve the accounts • The accounts were signed • BHP will send accounts to EFA • Accounts to be published on website 	<p>JC</p>
<p>5.2 Related Parties Summary Forms</p> <ul style="list-style-type: none"> • This form to be in place for all Members, Directors, Senior Nexus Staff and Head Teachers • Most Directors, Nexus & Head Teachers completed • Members still to complete • Forms to be scanned & sent to BHP • Clerk to ensure all completed 	<p>Clerk</p>
<p>8. ANY OTHER URGENT BUSINESS</p>	
<p>8.1 To consider any other urgent business agreed by the Chair</p> <p>8.1.1 Introduction of Trust Board development sessions</p> <ul style="list-style-type: none"> • Trust Board had stepped down to bi-monthly meetings • Questioned as to whether there is enough time to discuss issues especially the strategic objectives in enough detail? • Directors agreed that more time was required • Agreed to reinstate cancelled meetings back into the meeting plan and set up a schedule to address the 7 strategic objective • Agreed that these will not be formal meetings where attendance is recorded but agreed to call them Challenge Groups. • Directors welcomed the opportunity to be able to discuss the objectives with less time constraints as they did not want to lose the creativity of the Directors • Development notes will be taken and circulated with Trust Board papers at meetings 	

<ul style="list-style-type: none"> • Structure will be less formal than Trust Board meetings but need to be recorded to evidence impact & outcomes • It was agreed that Head Teachers should be invited to these meetings as it was felt that their opinions would be valuable • The meetings were therefore agreed as: Challenge Group – Tuesday 4th April 2017 – 17:00-19:00 at Kelford School Challenge Group - Wednesday 14th June 2017 – 17:00-19:00 at Kelford School Challenge Group - Wednesday 16th August 2017 – 17:00-19:00 at Kelford School • Nexus MAT AGM is planned to be held on Monday 24th July 2017 • Main focus of AAGM is for Directors to report to Members & to sign off accounts • CEO to check on date/timing of AGM as next Audit will not be completed until after 31st August 2017 • Beneficial for an additional part of AGM to invite all shareholders and interested parties and to look at work of Nexus so far and the strategic objectives for the future • AGM to be facilitated by external person • AGM to be a celebration event 	CEO
<p>9. CONFIDENTIALITY</p>	
<p>9.1 To consider the confidentiality of any items discussed during the meeting</p> <ul style="list-style-type: none"> • There were no confidential items 	
<p>10. DATES OF NEXT MEETINGS</p>	
<p>10.1 Future Trust Board of Directors meeting dates: Audit & Finance Committee – Monday 6th March 2017 – 17:00 at Hilltop School TBoD – Wednesday 15th March 2017 – 17:00-19:30 at Kimberworth Children’s Centre Standards Committee – Tuesday 21st March 2017 - 10:00 at Kimberworth Children’s Centre Challenge Group – Tuesday 4th April 2017 – 17:00-19:00 at Kelford School TBoD – Wednesday 17th May 2017 – 17:00-19:30 at Kimberworth Children’s Centre Audit & Finance Committee – Wednesday 24th May 2017 – 17:00 at Hilltop School Challenge Group - Wednesday 14th June 2017 – 17:00-19:00 at Kelford School Standards Committee – Monday 26th June 2017 - 10:00 at Kimberworth Children’s Centre Audit & Finance Committee – Tuesday 4th July 2017 – 17:00 at Hilltop School TBoD – Wednesday 12th July 2017 – 17:00-19:30 at Kimberworth Children’s Centre Nexus MAT AGM – Monday 24th July 2017 – 17:30 Challenge Group - Wednesday 16th August 2017 – 17:00-19:00 at Kelford School</p>	

Minutes approved

CHAIR	SIGNATURE	DATE
JOHN COLEMAN		15/03/2017