



Audit & Finance Committee Meeting
Focus: Audit & Risk
2nd March 2020 17:00 – 19:30
Nexus HQ

Those Present:		
Sue Shelley	Nexus MAT Director – Chair	SS
Steve Booth	Nexus MAT Director	SB
Warren Carratt	Nexus MAT CEO	CEO
Emma Heyes	Nexus MAT Strategic Change Project Manager	EH
James Kelly	Advisor to Committee (attendance via telephone link)	JK
Ray Palmer	Nexus MAT Director	RPa
Rachel Potts	Nexus MAT Director	RP
Cath Sands	Nexus MAT Acting CFO	CFO
Emma Sheedy	Nexus MAT Clerk	Clerk
Apologies:		
No Apologies:		
Naveen Judah	Advisor to Committee	NJ

1. WELCOME & APOLOGIES FOR ABSENCE	
1.1. To receive apologies for absence No apologies were received from NJ.	
1.2. To accept apologies for absence No apologies were received from NJ.	
2. ITEMS OF URGENT BUSINESS	
2.1. Chair to determine any items of urgent business to be considered None.	
3. DECLARATION OF INTERESTS	
3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda None.	
4. AUDIT & FINANCE COMMITTEE MEETING MINUTES	
4.1. To approve the minutes of the following meeting: The minutes of the Audit & Finance Committee Meeting held on 27 th January 2020 were reviewed and the following amendments agreed: Page 19 Replace DfE with ESFA. Page 20 Change wording to read "and the CFO confirmed the budget had been monitored and explained the deficit is due to officer errors and is in fact healthier in the December report, which will be circulated to Directors in line with the agreed schedule". Page 24 Add wording at 5.6. to read "As discussed at 5.5.". Page 24 SS advised "Internal and External Audits and reducing number of audits" should have been captured as an action on the action tracker to consider a review of the whole audit programme and the number of audits undertaken. ACTION: Clerk to amend the minutes as agreed.	CLERK COMPLETED
4.2. Review of Action Tracker The outstanding actions on the tracker were reviewed and updated. EH advised she does not receive the action tracker and would appreciate doing so. ACTION: Clerk to add EH to Governor Hub.	CLERK COMPLETED

<p>4.3. Matters arising from the minutes</p> <p>There were no matters arising.</p>	
<p>5. ITEMS TO BE CONSIDERED</p>	
<p>5.1. Trust Risk Register</p> <p>The Trust Risk Register had been shared prior to the meeting and discussion/challenge was as follows:</p> <p>The Chair asked for clarification regarding frequency of submission to the TBoD and CEO advised it had been agreed as twice yearly.</p> <p>The Chair queried if more narrative was required and CEO provided explanations regarding this and the reason for presentation to A&F Committee was regarding RAG rating.</p> <p>RP advised she believed the Risk Register required updating on Pages 2, 3 and 6 and it was agreed CEO would update the Risk Register. SB further suggested adding a commentary on the front page for external reviewers and CEO explained he was happy to comply, however that degree of detail is included within the Risk Management Policy, which should be reviewed in conjunction with the Strategic Risk Register by anybody externally.</p> <p>ACTION: CEO to update the Risk Register as suggested by Directors.</p>	<p style="text-align: right;">CEO 21/07/20</p>
<p>5.2. Estate Management Report</p> <p>The Estate Management Report was shared with the Committee and the action plan reviewed.</p> <p>SB queried if the Trust requires a Facilities Manager and CEO advised yes, but this is not in the Trust's growth plan for next year and explained his reasoning.</p>	
<p>5.3. High Level 12-Month Delivery Plan</p> <p>The High Level 12-Month Delivery Plan was tabled and CFO provided a verbal overview. CFO provided further context regarding Coppice BRFIY to ESFA.</p>	
<p>5.4. Health & Safety Update</p> <p>EH apologised for her reporting errors, which were clerical and not fundamental to understanding.</p> <p>EH explained that all schools, except Heatherwood & Coppice, have had their full Health and Safety Audits.</p> <p>EH explained that both IOSHH Leading and Managing Safely courses are fully booked and due to take place in April 2020.</p> <p>SS queried the Evidence Seen/Recorded section of the report and EH explained that Pro-Aktive would pick this up.</p> <p>ACTION: EH to ensure Pro-Aktive are aware the Evidence Seen/Recorded intelligence is required.</p>	<p style="text-align: right;">EH 21/07/20</p>

<p>5.4.1. <u>Appendix A – Abbey School</u> Abbey have progressed 71% of the 24 actions.</p> <p>EH shared with the Committee about the two (Abbey & Pennine View) Fire Audits and explained that although the audits did not raise any serious concerns, a system needs to be introduced to ensure that any recommendations are identified, monitored and responded to within appropriate timescales by designated leads. This is an area for development, which is currently being addressed with Pro-Aktive revising their own I.T. system to support this.</p> <p>JK requested indicative timescales for the new I.T. system and EH advised that work is being undertaken immediately and will take around 6/8 weeks.</p> <p>ACTION 1: EH to work closely with Pro-Aktive regarding the new I.T. system with a view to this being up and running for the next meeting. EH to address timescales, training and escalation if timescales not met.</p> <p>RPa would like to see an example of a Fire Audit.</p> <p>ACTION 2: EH to send an example of a Fire Audit to quantify this.</p>	<p style="text-align: right;">EH 21/07/20</p>
<p>5.4.2. <u>Appendix B – Craggs School</u> SB queried the RAG rating of the Headteacher/SBM training and EH noted this.</p>	<p style="text-align: right;">EH 21/07/20</p>
<p>5.4.3. <u>Appendix C – Hilltop School</u> EH explained that now Hilltop’s Fire Safety CIF funding works are complete, their Fire Audit has been scheduled to take place during the Easter Holidays. An asbestos review will also now be undertaken.</p> <p>RPa queried the RIDDOR 11.11.19. as this was longer than a seven-day injury and EH agreed to check with this.</p> <p>ACTION: EH to liaise with Hilltop regarding the RIDDOR 11.11.19.</p>	<p style="text-align: right;">EH 21/07/20</p>
<p>5.4.4. <u>Appendix D – Kelford School</u> EH provided more context regarding item 16.</p> <p>SS queried item 14 regarding the effectiveness of Caretaker training and it was agreed that EH should request Pro-Aktive check this.</p> <p>ACTION 1: EH to request Pro-Aktive check the effectiveness of Caretaker training.</p> <p>There was a lengthy discussion regarding Kelford’s Fire Evacuation Plan and the location of the secondary evacuation site.</p> <p>ACTION 2: EH to liaise with Kelford.</p>	<p style="text-align: right;">EH 21/07/20</p> <p style="text-align: right;">EH 21/07/20</p>
<p>5.4.5. <u>Appendix E – Pennine View School</u> EH advised that 12 of their 14 actions have been completed.</p>	

<p>5.5. Gender Pay Gap Report 2018/19</p> <p>The Gender Pay Gap Report 2018/2019 was overviewed by CFO, explaining that the inclusion of a high earning male member of staff – who has subsequently left the Trust had affected the figures for this reporting period.</p> <p>SS asked of the action plan/next steps and CEO explained that a more detailed action plan will follow completion of the Employee Opinion Survey.</p> <p>The Report was approved by the Committee.</p>	
<p>5.6. Audit Tracker</p> <p>SS provided an overview regarding the internal and external audit functions.</p> <p>SS provided the Committee with a summary of the Director’s Pre-Meeting with Hart Shaw and summarised their recommended areas of risk/concern for Directors to monitor closely; Central Bank Account and the integration of new schools into the Trust alongside internal/external audit processes.</p> <p>CEO asked if Hart Shaw agreed that it would be sensible to separate out internal and external audit and Directors advised this may be their policy stance in future i.e. to not provide both services. CEO/CFO will further discuss with Hart Shaw on 04/03/20.</p> <p>CEO queried if the integration of new schools into the Trust alongside internal/external audit processes should be its own internal audit area of focus, with new schools getting 3 internal audits in their first post-conversion year with more established schools having 2. It was agreed for CEO/CFO to further discuss with Hart Shaw on 04/03/20.</p> <p>JK asked for more clarity regarding Hart Shaw’s concern regarding the Central Bank Account and SB provided this.</p> <p>[EH left the mtg at 18:44].</p> <p>CEO stated his preference of using Hart Shaw as external auditors.</p> <p>The internal and external audits were tabled and overviewed by CFO.</p>	
<p>5.7. Finance Risk Register</p> <p>SS emphasised the importance of the A&F Committee taking ownership of the Finance Risk Register.</p> <p>CFO commented that the document tabled was a working document/prototype and welcomed feedback/input.</p> <p>CEO queried the two shades of amber RAG rating, which is not compliant with the Trust’s published risk management policy and CFO agreed to amend accordingly.</p> <p>ACTION 1: CFO to amend the RAG rating of the Finance Risk Register to be Trust compliant.</p>	<p>CFO 11/05/20</p>

<p>Red – major/catastrophic and scored 15 or more. Yellow – moderate or major risk and scored between 8 – 14. Green – minor and scored between 5 – 7. Blue – low/insignificant and scored 4 or less.</p> <p>There was an in-depth discussion and the following amendments were discussed: Risk No. 1 – Rename Insufficient Capacity. Add timescales in the body of the narrative. RPa queried if residual risk can be predicted when the work has not been undertaken and there was a discussion about removing the Residual Risk columns. RPa queried if Risk No. 3 covered the internal/external audits and CFO will further consider adding Audits as a separate risk number. Risk No. 5 – Add CFO as Loss of Key Staff. Risk No. 6 – Add mainstream schools. ACTION 2: CFO/CEO to conduct a review of the Strategic Risk Register and Finance Risk Register and further consider the proposed amendments.</p> <p>SS queried Risk No. 7 Cash Handling and CFO explained about pre-paid credit cards. SS further asked for reassurance regarding the safe at Abbey and CFO provided an update.</p> <p>JK requested information regarding petty cash and CFO provided this.</p>	<p>CFO/CEO 11/05/20</p>
<p>5.8. Policy Update – Competitive Tendering & Procurement Policy</p> <p>The Competitive Tendering & Procurement Policy was tabled and overviewed by CFO.</p> <p>SB queried 4.5. and CFO explained this is in accordance with OJEU.</p> <p>The Policy was approved by the Committee.</p>	
<p>6. ANY OTHER URGENT BUSINESS</p>	
<p>6.1. To consider any other urgent business agreed by the chair</p> <p>None.</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 will be discussed at the next meeting.</p>	
<p>8. DATES OF NEXT MEETINGS</p>	

Monday 11 th May 2020	17:00 – 19:30	Nexus HQ	Finance & ICT
Tuesday 9 th June 2020	16:00 – 19:00	Craggs Community School	Leadership Summit
Tuesday 21 st July 2020	17:00 – 19:30	Nexus HQ	Audit & Risk

Minutes approved

CHAIR	SIGNATURE	DATE
SUE SHELLEY		11/05/20