



**Audit & Finance Committee Meeting**  
**Focus: Finance & ICT**  
**11<sup>th</sup> May 2020 at 17:00 – 19:30**  
**Held via GoTo Meeting Video-Link**

<b>Those Present:</b>		
Sue Shelley	Nexus MAT Director – Chair	SS
Steve Booth	Nexus MAT Director	SB
Ian Burns	Strategic ICT & Information Governance Lead	IB
Warren Carratt	Nexus MAT CEO	CEO
Naveen Judah	Nexus MAT Director	NJ
James Kelly	Advisor to Committee	JK
Ray Palmer	Nexus MAT Director	RPa
Rachel Potts	Nexus MAT Director	RP
Cath Sands	Nexus MAT CFO	CFO
Emma Sheedy	Nexus MAT Clerk	Clerk
<b>Apologies:</b>		
<b>No Apologies:</b>		

<b>1. WELCOME &amp; APOLOGIES FOR ABSENCE</b>	
1.1. To receive apologies for absence  No apologies were received.	
1.2. To accept apologies for absence  No apologies were received.	
<b>2. ITEMS OF URGENT BUSINESS</b>	
2.1. Chair to determine any items of urgent business to be considered  The Committee formally acknowledged that NJ would now attend as a Nexus MAT Director.  It was agreed that agenda items 1, 2, 3, 4. and 5.4. would be discussed first with IB in attendance and all other items when IB had left the meeting.  The following items of urgent business were determined:  <ul style="list-style-type: none"> <li>• Internal Audit Tender for Autumn Term</li> <li>• 2020/21 Meeting Dates</li> </ul>	
<b>3. DECLARATION OF INTERESTS</b>	
3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda  None.	
<b>4. AUDIT &amp; FINANCE COMMITTEE MEETING MINUTES</b>	
4.1. To approve the minutes of the following meeting:  The minutes of the Audit & Finance Committee Meeting held on 2 <sup>nd</sup> March 2020, including the Pre-meeting with Hart Shaw, were reviewed and discussed in detail. No amendments were requested and the minutes were agreed.	
4.2. Review of Action Tracker  The outstanding actions on the tracker were reviewed and updated.	
4.3. Matters arising from the minutes  Page 33 <b>The Chair asked the CEO for an update regarding the Employee Opinion Survey</b> and the CEO explained the data is currently being analysed and the output will be shared with Directors, together with an action plan after half term.  There were no further matters arising.	

5. ITEMS TO BE CONSIDERED	
<p>5.1. High Level 12-month Delivery Plan</p> <p>The High Level 12-month Delivery Plan was overviewed by the CFO, explaining that following advice from Hart Shaw the internal audit which was due w/c 27/04/20 was postponed due to COVID-19. The Committee noted the Health &amp; Safety Audits which were due in March and April were also postponed.</p>	
<p>5.2. Trust Budget Monitoring Report (Mar 2020)</p> <p>The CFO provided an in-depth overview of the Trust Budget Monitoring Report and highlighted the variations, which have increased the predicted outturn by £59k between February and March. Discussion and challenge was as follows:</p> <p>There was a discussion regarding cash flow for Craggs and Pennine View and the CFO provided background information.</p> <p><b>SB asked for clarification regarding item 1.2.1. which refers to a forecast consolidated outturn surplus for 2019/20 of £1.42m</b> but the table on Page 5 refers to £1.47m.</p> <p><b>ACTION 1:</b> CFO to respond to the Committee by email.</p> <p><b>SB queried Hilltop's income figures</b> and CFO provided an in-depth explanation.</p> <p><b>The CFO queried reporting format and if commentaries on business units with &gt; 1% variance from budget was satisfactory</b> and it was agreed to continue with the current format for the next 12 months.</p> <p><b>SB queried the graph on Page 6 and if this could be done for consolidated forecasts</b> and the CFO agreed to do this going forward. The CEO asked what this would provide and SB advised trends.</p> <p><b>ACTION 2:</b> CFO to include consolidated forecast graph in future reporting.</p> <p><b>NJ further emphasised the importance and need for consolidated forecasts/graphs for cross referencing to balance sheets</b> and the CFO provided a very detailed explanation as to why the reported figures will not add up, explaining about HCSS as mentioned at 4.2. of the report. <b>RP asked for approximate timescales as to when the HCSS software problems will be resolved</b> and collectively the Committee offered assistance to the CFO with escalating this further or a medium term plan to move away from HCSS.</p> <p><b>ACTION 3:</b> CFO to look at the HCSS software problems and plan going forward.</p> <p><b>SB queried inclusion of the balance sheets</b> and the CFO advised inclusion is compulsory as per the Academies Financial Handbook.</p> <p><b>The Chair queried Kelford item 1.3.5. and if the funding issues were now resolved</b> and the CEO explained about the recurrent funding streams but there is uncertainty if Kelford is fairly funded for every pupil, so the budget is stretched to cover the funding shortfalls for a few individuals.</p>	<p style="text-align: right;"><b>CFO 25/05/20</b></p> <p style="text-align: right;"><b>CFO 28/09/20</b></p> <p style="text-align: right;"><b>CFO 21/07/20</b></p>

<p><b>RP asked for more information regarding item 5. and how the discussions with DMBC and Barnsley Council were progressing</b> and the CEO provided this.</p> <p><b>NJ queried item 4.3. regarding total net assets</b> and the CFO provided an explanation.</p>	
<p>5.3. Internal Audit Report – Feb 2020</p> <p>The CFO provided an overview of the February 2020 Internal Audit Report and discussion/challenge was as follows:</p> <p>There was a lengthy discussion regarding the high priority recommendation for Coppice School regarding no invoices or purchase orders since 01/12/19 to date of the audit and NJ struggled to see how the auditors could identify this as a weakness. <b>ACTION 1:</b> CFO to re-check Coppice School purchase activity from 01/12/19 to date.</p> <p><b>The Chair queried the weakness identified on Page 7 regarding the purchase order identified at a school, where it was both raised and authorised by the same individual.</b> The Committee was extremely concerned about this due to potential fraud. <b>ACTION 2:</b> CFO to look into this further.</p> <p>A discussion took place regarding the absence of improving practise in some the academies and the strategies the Trust need to adopt. <b>ACTION 3:</b> CEO/CFO to address strategies the Trust need to adopt to improve financing practise and consult with Headteachers.</p> <p><b>SB queried the recommendations brought forward</b> and the CFO provided an update. <b>ACTION 4:</b> CFO to ask Hart Shaw to remove the Y/E Debtor/Sales item.</p>	<p><b>CFO</b> <b>21/07/20</b></p> <p><b>CFO</b> <b>21/07/20</b></p> <p><b>CEO/CFO</b> <b>21/07/20</b></p> <p><b>CFO</b> <b>21/07/20</b></p>
<p>5.4. ICT Information Governance and Strategic Update</p> <p>IB presented the ICT Information Governance &amp; Strategy Update.</p> <p>5.4.1. Information Governance Strategic Framework 2019-2020 Document</p> <p>The Chair commented positively regarding report format and the usefulness of inclusion of previous updates, which provides a comprehensive overview/record.</p> <p>IB provided a verbal update of each of the framework strands and discussion/challenge was as follows:</p> <p><b>SB queried governors signing off of the SCR</b> and the CEO explained this is not a statutory requirement for an academy. IB further advised there is a checks and balance system in place and the CEO added that termly SCR audit reports are submitted to the Standards Committee via HR.</p> <p><b>JK asked why MS Teams was not being used as the virtual meeting platform</b> and IB explained that MS Teams and GoTo Meeting offer the same level of security, so it was down to the Chair’s personal preference. JK advised MS Teams was his preference and this was noted. CEO will ask the Clerk’s to pilot MS Teams.</p>	

<p><b>RP queried home working, IT data security and Staff's responsibilities</b> and the CEO explained about multi authentication password system for CPOMS and that all Staff laptops are encrypted with DESLOCK to ensure good information security.</p> <p><b>The Chair queried IT capacity due to the increase in schools joining the Trust</b> and the CEO advised of the planned recruitment of an Assistant CEO, which will assist with line management capacity. CEO also stated that he had over-resourced the Trust ICT function in previous years to ensure capacity was there to meet growing need, and that the Trust recruited an Engineer this year to support IB.</p> <p><b>The Chair queried the need for consultations with Headteacher's</b> and the CEO advised of the benefits of doing this, which provides greater transparency.</p> <p><b>The Chair queried scalability and deployment standards on page 14</b> and IB provided background information regarding this.</p> <p>IB explained that the meeting, which was planned to take place at the DfE in London on 12 May, to scope alternative MIS providers is now taking place via MS Teams.</p> <p>The Committee thanked IB for his comprehensive report and efforts.</p> <p>[IB left the meeting at 17:59].</p>	
<p>5.5. Finance Risk Register</p> <p>The Finance Risk Register was reviewed by the Committee and <b>the Chair queried item 14. and supplementary grants</b> and the CEO provided an explanation.</p>	
<p>5.6. Write Offs</p> <p>The Write Offs were reviewed and the Committee asked the CFO about any other dinner money write offs from the other schools.</p> <p><b>ACTION:</b> CFO to liaise with other schools within the Trust and determine how they have previously dealt with school money debt.</p> <p><b>RPa queried what the timeframe is for writing debts off</b> and the CFO referred to the Academies Financial Handbook.</p>	<p><b>CFO</b> <b>28/09/20</b></p>
<p><b>6. ANY OTHER URGENT BUSINESS</b></p>	
<p>6.1. To consider any other urgent business agreed by the chair</p> <p>6.1.1. Internal Audit Tender CFO provided an overview, explaining this will be further explored in autumn term.</p> <p>6.1.2. 2020/21 Meeting Dates The Chair reminded the Committee of the revised 2021 January and March meeting dates, which are 1<sup>st</sup> February and 8<sup>th</sup> March respectively.</p>	
<p><b>7. CONFIDENTIALITY &amp; RISK</b></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>	

7.2. To consider any area new risks identified during the meeting

Risks identified will be discussed at the next meeting.

**8. DATES OF NEXT MEETINGS**

Tuesday 21<sup>st</sup> July 2020

17:00 – 19:30

Nexus HQ or  
via MS Teams

Audit & Risk

**Minutes approved**

<b>CHAIR</b>	<b>SIGNATURE</b>	<b>DATE</b>