



**Audit & Risk Committee Meeting**  
**Focus: Audit & Risk**  
**Monday 15<sup>th</sup> November 2021 at 17:00 – 19:30**  
**via MS Teams**

<b>Those Present:</b>		
Sue Shelley	Nexus MAT Director – Chair	SS
Steve Booth	Nexus MAT Director	SB
Warren Carratt	Nexus MAT CEO	CEO
Joel Hardwick	Nexus MAT Assistant CEO – Strategy & Partnerships	JH
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>	
<p>1.1. To receive apologies for absence</p> <p>None. The Chair advised that RPa and JK would be joining the meeting late.</p> <p>The Chair advised that Agenda items 5.4. and 5.6. would be dealt with first to enable JH to leave the meeting early.</p>	
<p>1.2. To accept apologies for absence</p> <p>None.</p>	
<b>2. ITEMS OF URGENT BUSINESS</b>	
<p>2.1. Chair to determine any items of urgent business to be considered</p> <p>2.1.1. Draft wording from Internal Auditors.</p>	
<b>3. DECLARATION OF INTERESTS</b>	
<p>3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda</p> <p>None.</p>	
<b>4. AUDIT &amp; FINANCE COMMITTEE MEETING MINUTES</b>	
<p>4.1. To approve the minutes of the following meeting:</p> <p>The minutes of the Audit &amp; Risk Committee Meeting held on 11<sup>th</sup> October 2021 were received and the following amendments agreed:</p> <p>Page 2 – Add ‘- Merger Process’ to Headline Risk Log.</p> <p>Page 5 – Clerk to include an action on the tracker for JH for this item but for this to be shown as completed, as JH advised the Committee of an annual renewal timeframe.</p> <p><b>ACTION:</b> Clerk to update the minutes of the meeting held on 11<sup>th</sup> October 2021.</p>	<b>COMPLETED</b>
<p>4.2. Review of Action Tracker</p> <p>The outstanding actions on the tracker were reviewed and updated.</p>	
<p>4.3. Matters arising from the minutes</p> <p>None.</p>	
<b>5. ITEMS TO BE CONSIDERED</b>	
<p>5.1. Trust Risk Register</p> <p>The CEO provided an overview of the Trust Risk Register.</p> <p><b>The Chair commended the dynamic approach with regards the recording of residual insecurities and commentary.</b></p>	

<p>The CEO provided an update with regards the issues faced with High Needs funding and provided context.</p>	
<p>5.2. High Level 12-Month Delivery Plan</p> <p>The CFO provided an overview of the High Level 12-Month Delivery Plan.</p> <p>The CFO explained about the addition of a July item, Review Procurement Pipeline, which is a new public duty requirement and will be discussed further nearer the time.</p>	
<p>5.3. Record of Accounting Officer Financial Decisions</p> <p>The CFO shared via her screen to provide an overview of the Record of Accounting Officer Financial Decisions and it was agreed for a column to be added to confirm three quotations were provided.</p> <p><b>ACTION:</b> CFO to add a column to the Record of Accounting Officer Financial Decisions to confirm whether three quotations were provided or not, and if not why not</p> <p><b>SS queried the purchase of capital resources for the Relish catering contract of £44k</b> and the CFO advised this is for the purchase of spoons, bowls, whisks etc. and the capital had to be put up upfront but the items would be owned by Nexus MAT. The CEO advised the school capital allocation had been utilised for this, as this was an appropriate use of the grant.</p> <p><b>NJ asked if these items are from the school capital allocation or included in the budget</b> and the CEO advised yes and no, because the budget planning process starts in May/June and at that point the student profiles are often not confirmed.</p>	<p><b>CFO</b> <b>07/03/22</b></p>
<p>5.4. Competent Person Termly Update Report</p> <p>JH provided an overview of the Competent Person Termly Update Report. The report provided a detailed update on the work ProActive have completed over the last few months, an update on existing academy health and safety action plans - highlighting progress made and any areas that are outstanding or require further action, an update on health and training provided within the Trust, highlights any accidents reported under RIDDOR and details of next steps.</p> <p>The Committee acknowledged the reassurances included in the report with regards the COVID-19 update and impact of training following the IOSH Managing Safely course.</p> <p>JH advised the Committee of a further incident at North Ridge, which was not included in the report due to timing and provided context. This incident was reported to the HSE on 28<sup>th</sup> June and JH confirmed this would be included in the next report.</p> <p><b>RP commended the report, including the impact of training and lack of outstanding actions. RP queried the incident at Kelford at Section 3.5.2.</b> and JH advised this had been closed.</p> <p><b>RP queried Health &amp; Safety Training for Site Managers at Section 3.4.1. and asked if there are any outstanding</b> and JH advised of one or two outstanding.</p> <p><b>RPa commended the report and queried if the Trust are required to report RIDDOR incidents to our RPA Insurer</b> and the CEO advised he did not believe this</p>	

<p>was a requirement, but would send RPa the guidance. Following RPa's review of the RPA's guidance, it was confirmed that this a requirement.</p> <p><b>ACTION 1:</b> CEO to issue a guidance note to all School Business Managers and update policies accordingly.</p> <p><b>SS asked about the capturing of near misses</b> and JH will speak to Emma Heyes (EH) about capturing this information via the portal and include in future reports.</p> <p><b>ACTION 2:</b> JH to liaise with EH with regards the capturing of near misses and include in future reports.</p>	<p><b>CEO ASAP</b></p> <p><b>JH 07/03/22</b></p>
<p>5.5. September Budget Monitoring Report</p> <p>The CFO provided an overview of the Budget Monitoring Report, which provided context with regards to the budget variations. Discussion/challenge was as follows:</p> <p><b>SB queried Page 2 regarding Abbey and Direct Revenue Financing (DRF) has increased by £296,350</b> and the CFO explained this is due to the Head identifying capital initiatives required for 2021/22. The majority of these initiatives will be paid for from the school's capital carry forward from 2020/21 and this figure is the residual amount required in order to fund those initiatives.</p> <p><b>SB asked if the ESFA accept a deficit in-year budget</b> and the CFO advised the Trust cannot set a deficit budget but can have an in-year deficit, and this would be covered by carry forward surplus.. An in-year deficit budget is permitted.</p> <p><b>SS asked about the Teaching Staff (STTEA) decrease at Kelford School by £42,948</b> and the CEO advised this a movement of one code to another.</p> <p><b>SB queried the table on Page 5 and</b> the CFO apologised for this anomaly and agreed to provide the correct table.</p> <p><b>ACTION 1:</b> CFO to distribute the correct table for Page 5 via GovernorHub.</p> <p><b>SB queried the update regarding Craggs School on Page 8</b> and the CEO suggested adding a line in the report at item 3.1. to say 'this position is expected to have corrected by Academic Year 23/24, as agreed by Directors'.</p> <p><b>ACTION 2:</b> CFO to update item 3.1. to say 'this position is expected to have corrected by Academic Year 23/24, as agreed by Directors'.</p> <p><b>RP asked for an update regarding item 5.2.</b> and the CFO advised DMBC have agreed to pay but the payment remains outstanding. This should be received by the next meeting.</p> <p>5.5. a. September Consolidated Monitoring was reviewed and <b>SB queried the 10.83%</b> and the CFO explained this is the predicted outturn reserves as a percentage of total predicted 21/22 equity funding, which includes this plus the £600k Trust Cash Reserves.</p> <p><b>SB asked where the Trust capital balance sits</b> and the CFO advised the Trust are already in receipt of half of this money and the other half is expected on a like for like funding basis. The CFO confirmed the 10.83% would change month on month.</p>	<p><b>CFO ASAP</b></p> <p><b>CFO ASAP</b></p>

<p><b>NJ asked about benchmarking</b> and the CFO spoke about the Reserves Policy. It was agreed for the CFO to take an action to address benchmarking against other Trusts. <b>ACTION 3:</b> CFO to look at some broad benchmarking with regards reserves.</p> <p>5.5. b. September Cash Flow Forecast was received by the Committee and no queries were raised during the meeting.</p> <p>5.5. c. Balance Sheets were reviewed <b>and NJ asked about creditors over one year</b> and the CFO advised of the CIF and Salix loans.</p>	<p><b>CFO</b> <b>07/03/22</b></p>
<p>5.6. Asset Strategy Update</p> <p>The Committee received the Asset Strategy Update in advance of the meeting and JH provided key headlines as follows:</p> <p>Draft Asset Management Plans were produced for each academy via a commissioned piece of work from Five Rivers Trust. This work provided a starting point and the move to School Condition Allocation funding requires us to have a more detailed ongoing understanding of the priority maintenance needs of the estate. The recruitment process to an Assets &amp; Facilities Lead was not successful and we have opted this year for a commissioned service from DMBC. DMBC have currently been provided with all of the school site information we have, including the draft asset plans, floor plans, previous CDC reports, health and safety reports etc. This is being shared with members of their Asset Team who will be arranging visits to the schools, before Christmas, to enable production of bespoke condition report for each school.</p> <p>Interviews for a Head of Digital Technology were successful and it is expected that the appointed person will be in post around the beginning of February 2022.</p> <p>Sheffield City Council (SCC) have acknowledged the priority with regards Becton's Kenwood and Moncrieffe sites, which are on 5 year leases from the point of conversion in April 2020, and named the sourcing of a long term solution as part of their priorities within their 5 year capital plan.</p> <p>JH is in discussions with SCC regarding potential spaces for post-16 for the Kenwood cohort. JH is hoping to visit at least one site option in November at Millhouses Park.</p> <p>Discovery is now due for completion by Easter 2022.</p> <p>A business case is underway for Kelford School to convert the garage into office space and a proposal developed with support from DMBC will be submitted to the CEO for a decision.</p> <p>A proposal is being developed for Abbey School to site a carbon zero pod for meeting/office space on the land between the inward and outward roads.</p> <p><b>RP stated the work with DMBC is key to moving things forward and queried if JH is confident the reports would be completed by Christmas</b> and JH advised he is confident the visits will have taken place by Christmas but the reports may follow in the New Year.</p>	

<b>The Chair thanked JH for his reports [and left the meeting at 17:30].</b>		
5.7. Audit Tracker	The CFO provided an overview of the Audit Tracker for internal and external audits. No queries were raised.	
5.8. Update on External Audit	The CFO provided a verbal update and stated it is going quite well.  SS provided the Committee with an update regarding the Pre-Meeting with Forrester Boyd and advised that anything identified is minor and overall they are very impressed. SS explained she asked what Directors should be considering as the Trust continues to grow and Forrester Boyd stated they could include recommendations around this in the final report.  [JK joined the meeting at 6.26 p.m.]  SB added that Forrester Boyd were very complimentary of the Trust's welcome and nobody had been evasive or unhelpful.	
<b>6. ANY OTHER URGENT BUSINESS</b>		
6.1. To consider any other urgent business agreed by the chair		
6.1.1. Draft wording from External Auditors	The CFO shared her screen and the draft wording received from the External Auditors <b>and it was agreed by all that the report was not sufficient for the money paid. The CFO was asked to liaise with them further.</b> <b>ACTION:</b> CFO to liaise with the External Auditors further with regards the draft wording.	<b>CFO ASAP</b>
<b>7. CONFIDENTIALITY &amp; RISK</b>		
7.1. To consider the confidentiality of any items discussed during the meeting	None.	
7.2. To consider any area new risks identified during the meeting	Risks identified will be discussed at the next meeting.	
<b>8. DATES OF NEXT MEETINGS</b>		

Monday 7 <sup>th</sup> February 2022	17:00 – 19:30	Nexus HQ	Finance & ICT
Monday 7 <sup>th</sup> March 2022	17:00 – 19:30	Nexus HQ	Audit & Risk
Monday 9 <sup>th</sup> May 2022	17:00 – 19:30	Nexus HQ	Finance & ICT
Tuesday 28 <sup>th</sup> June 2022	16:00 – 19:00	Crags Community School	Leadership Summit
Monday 11 <sup>th</sup> July 2022	17:00 – 19:30	Nexus HQ	Audit & Risk

**Minutes approved**

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

DRAFT