



Audit & Risk Committee Meeting
Monday 01 July 2024 at 17:00 – 19:30
via Teams

Director's present	Role	Initials
Sue Shelley	Nexus MAT Director/Chair	Chair
Steve Booth	Nexus MAT Director	SB
Tina Havenhand	Nexus MAT Director	TH
Ray Palmer	Nexus MAT Director	RPa
Rachel Potts	Nexus MAT Director	RP
Also present		
Warren Carratt	Nexus MAT CEO	CEO
Joel Hardwick	Nexus MAT Assistant CEO: Corporate Affairs	JH
Karen Smith	Nexus MAT CFO	KS
Rebecca Horne	Governance Clerk	RH
Apologies		
James Kelly	Advisor to the Committee	JK
No Apologies		
Naveen Judah	Nexus MAT Director	NJ

1. APOLOGIES FOR ABSENCE	
1.1. To receive but not accept apologies for absence. Apologies were received from JK.	
1.2. To accept apologies for absence. Apologies were accepted from JK.	
2. ITEMS OF URGENT BUSINESS	
2.1. Chair to determine any items of urgent business to be considered. None to discuss.	
3. DECLARATION OF INTERESTS	
3.1. Individual Directors to declare any personal, business or other governance interests on any item on the agenda. None to discuss.	
4. AUDIT & RISK COMMITTEE MEETING MINUTES	
4.1. To approve the minutes of the following meeting: Audit and Risk Committee held on 04 March 2024. The minutes of the Audit & Risk Committee Meeting held on 04 March 2024 were received and agreed as a true and proper record.	
4.2. REVIEW OF ACTION TRACKER	
The outstanding actions on the tracker were reviewed and updated. Item 4.2 – JH explained this is still work in progress and will be discussed further in the meeting. This will be in place for the next academic year. Item 5.7 – This will be discussed at the next Finance & Infrastructure Committee Meeting on the 8 July 2024.	
4.3. MATTERS ARISING FROM THE MINUTES	
No matters arising were discussed.	
5. ITEMS TO BE CONSIDERED	
5.1 Trust Risk Register The CEO clarified that there have been no significant updates or changes to the Trust Risk Register since the last reporting period. This status was most recently	

communicated to the Standards Committee on May 7th and the Audit & Risk Committee on March 4th.

SS – The Mocksted Reports, are these the ones that go the Standards Committee? CEO – Yes, the Mocksted Reports are summarised and this is reported to the Standards Committee.

5.2 Finance Risk Register

The CFO provided an update to the committee regarding changes made to the Finance Risk Register. The update primarily focused on providing additional context and information, rather than altering the RAG (Red, Amber, Green) rating or the level of risk associated with each item.

These updates indicate a noticeable trend within the Trust where an increasing number of schools are opting to buy into central support. This trend has the potential to enhance compliance with procedure and improve overall operational efficiency across the Trust.

Starting from September 2024, Lotus Academy and Endeavour Academy, two new schools joining the Trust, will also begin utilising the central transactional support services.

The CFO provided an update that the new Finance Policy detailing financial procedures has been completed. This report includes a detailed summary of month-end processes conducted centrally and by individual schools within the Trust. The completed report has been submitted to the internal auditors for their review, which will be part of the final internal audit visit scheduled for this year.

Overall, the CFO reported feeling significantly more positive about the Trust's position regarding the SAGE and IMP Systems.

5.3 High Level 12-month Delivery Plan

The CFO informed the members that the High-Level 12-Month Delivery Plan document has been circulated for their information, and all necessary updates have been completed.

5.4 Competent Person Termly Update Report

JH provided feedback on the Competent Person Termly Update Report. Addressing an action point from the last meeting, JH explained the intention to analyse the chart showing changes over the academic year on a term-to-term basis using the new system from September.

Abbey

JH explained Abbey School have completed their Health & Safety in relation the new Post 16 pod.

North Ridge

JH reported that North Ridge School is not a concern in relation to previous Health & Safety reporting.

Both Abbey and North Ridge schools will be included in the new reports starting in the Autumn term.

JH also discussed the type of reporting from the Spring term, focusing on the red columns in the chart, which indicate high-priority actions that have not been completed or cannot be reported as completed within the timescales. In last term's report there were 29 such actions. This number has now been reduced to 1 in the current term's report, thanks to the efforts of Lana Stoyles and Kevin Oxbridge from the Central Team, who have been working closely with Site Supervisors and School Resource Managers.

The one high-priority action yet to be completed is the picket fence at Fountainsdale School. The initial quote for this work was quite high, so alternative options are being explored.

JH reported on the overall state of Health & Safety and its monitoring, noting a positive trend. The improvements are largely attributed to the collaborative efforts with Site Supervisors to ensure that actions are completed and properly reported.

SB – I am just looking at the chart and it seems that every school has a high priority marking. Is that something we expect to be less? Or how we should expect it to be? JH –the reporting from this term's audit has so far been similar overall to previous reports that have come into the Committee. The point around the action from last time showing progress over time is where we should start to see what the trends are around individual schools. The way ProAktive do their audits they go in and look at certain areas more so than others each term. Therefore, areas they look at from one term to the next change so you would expect to have some high priority areas each time. This is part of the system we will take a look at next term

RP – My main point is recognition. There is so much reference to the Central Team supporting schools.

RPa – My question is in relation to the high priority actions. Do we get a feel for whether these are compliance, no compliance in place or is it more procedural? JH – They tend to be a combination of no paperwork and/or the evidence around the paperwork, which is what we are trying to support Site Supervisors around. Once the new system is embedded in September this reporting should really improve.

RPa suggested adding narrative in the report to provide examples of what constitutes high-priority and trivial-priority issues. The Committee agreed that this clarification would be beneficial for better understanding and context.

5.5 Cyber Security External Review

JH provided feedback on the Cyber Security External Review, highlighting a positive experience collaborating with Secure Schools, experts in cyber security within the education sector. The review identified a couple of actions through their standard audit process. Additionally, Secure Schools recommended a comprehensive list of cyber security policies.

In response, JH reviewed the existing policies to ensure all necessary areas were reasonably covered. Based on this review, JH believes that the current policies adequately address the cyber security requirements.

JH reported that a new Digital Infrastructure Lead has been appointed by the Trust. This new role will collaborate closely with Nathan Bingham and will primarily focus on managing the cross-Trust infrastructure.

JH reported that among the recommendations discussed, there was one suggesting the appointment of a specific, named Director responsible for cyber security. After careful consideration, JH concluded that while the idea was helpful, it was deemed unnecessary. Therefore, the recommendation put forth is to not proceed with appointing a dedicated Director or Committee member for cyber security.

SS stated this was a very useful report.

TH – How many people on Central IT Team do you have now? CEO – We have 13 with the new Infrastructure Lead.

5.6 Information Governance External Review

JH elaborated that the main discussion centred around reviewing and validating the plans intended to advance this area over the next 12 months. During this discussion, JH highlighted several positive aspects and areas where the organisation excelled:

- Responses to freedom of information request
- Subject access request

JH outlined the two primary actions resulting from the Information Governance External Review:

- The register of processing activities, the ROPA; and
- Information Asset Register

These actions are identified as significant areas of focus and priority for improving information governance across the Trust.

RP - Are Business Managers/Office Managers clear about their role or do we need to re-define it? CEO – We have reviewed the job profile in the last 6 months and re-issued this. The job title has now been changed to School Resource Manager as this feels it fairly reflects the broader remit of the role, which includes specific about data protection duties.

5.7 Internal Audit Report – Audit 1 – Key Financial Procedures Report

The CFO summarised the current Internal Audit Report for the year, conducted by Veritau. Veritau will also be reviewing the financial procedures in the upcoming week. The CFO expressed satisfaction with the progress, highlighting that the report is positive. The organisation has been awarded a "substantial assurance" rating by Veritau, which is the highest possible grade they offer.

Due to issues with purchase orders being added after the corresponding invoices have been received, a tracking system has been implemented. This system involves monthly checks to monitor the percentage of invoices that have associated purchase orders. The results of these checks are RAG rated and the information is subsequently shared with the Regional Finance Leads as well as with the individual schools.

The report highlights significant issues related to the use of agency supply staff. Schools with particularly low compliance rates often have a high reliance on agency staff.

Another area examined in the report was contract registers. A project is being organised for the summer term to enhance the completeness and detail of these registers at the school level. Lana Stoyles is leading this initiative.

The Directors agreed this was a very positive report.

SB – On page 9 of the report, are return to work reviews taking place? What was the outcome? CFO agreed to gather information from the HR manager and feedback. **ACTION – CFO to provide information in relation to the return-to-work reviews.**

CFO
11/11/24

TH commended the team, stating that this was a really strong report and congratulated them on their excellent work.

5.8 Audit Tracker

The CFO provided a summary of the Audit Tracker, covering both internal and external audits. All items on the tracker have already been discussed, and the summary was sent for informational purposes.

SB – Petty Cash, residual risk as 1 but states on narrative is says risk is removed. Should be zero? CFO – Yes, I will change this to zero.

CFO
11/11/24

5.9 Draft Audit & Risk Committee Annual Conclusions Report

SS explained that this report, drafted by the CEO, is a summary of the Audit & Risk Committee's work to date. SS asked the Directors if they felt anything else should be added to the report, and there were no additional suggestions.

5.10 Payroll System Migration Update

The CEO explained that this report was requested by the chair, based on previous discussions. The report outlines key aspects, and the CEO mentioned that he amended the report format to meet the chair's requirements. This report does not seek decisions from Directors but aims to explain the process of moving payroll provider, the achievements so far, and the lessons learned. The CEO noted that the report is very straightforward and clear.

<p>TH – Just to be clear, is there integration between the payroll system and the finance system in terms of the production of journals or is that still a manual entry process? CFO – No there isn't an integration between the two.</p> <p>5.11 Budget Forecast Return Update</p> <p>The CFO provided a verbal update regarding budget forecasts. The deadline for submitting more detailed budgets for the 2024/2025 fiscal year to the Department for Education is 29 August 2024. All numbers will undergo further scrutiny at the Finance & Infrastructure Committee Meeting scheduled for 8 July 2024.</p>	
6. ANY OTHER URGENT BUSINESS	
<p>6.1 To consider any other urgent business agreed by the Chair</p> <p>CEO explained this is SS's last Audit & Risk Committee meeting that she will chair. CEO wanted to express his thanks for SS's willingness to chair the committee in such a thoughtful, considerate, professional and rigorous manner.</p>	
7. CONFIDENTIALITY & RISK	
<p>7.1 To consider the confidentiality of any items discussed during the meeting</p> <p>None raised.</p> <p>7.2 To consider any areas of risk discussed during the meeting</p> <p>None raised.</p>	
8. DATES OF NEXT MEETINGS	

Monday 11 November 2024	16:00 – 17:00	MS Teams	Pre-meetings with Auditors
Monday 11 November 2024	17:00 – 19:30	MS Teams	Audit & Risk
Monday 3 March 2025	17:00 – 19:30	MS Teams	Audit & Risk
Monday 30 June 2025	17:00 – 19:30	MS Teams	Audit & Risk

Minutes approved

CHAIR	SIGNATURE	DATE
Sue Shelley		