

Finance, Risk & Audit Committee

Terms of Reference

This committee provides detailed review and monitoring of the finances, risk management and internal scrutiny of the Trust, and oversees the policy framework for the staffing, premises and equipment for the School. In addition, the committee reviews and monitors all matters relating to health & safety.

Membership

- A minimum of three and a maximum of five Trustees or Governors of the School (appointed by the Board of Trustees); of whom the majority must be Trustees
- The Trust Board may appoint a Chair who is not a Trustee, having been satisfied that the person has financial experience and is capable of fulfilling the role
- The Executive Head, Headteacher and Finance Officer may also attend (Non-voting)

Frequency of Meetings

Three times a year

Quorum

At least 50 % of the committee membership, of whom the majority must be Trustees

Voting

Where a vote is required this will be by simple majority, with a casting vote for the Committee Chair. The Trust Board reserves its right to reverse or substitute decisions taken by the committee.

Committee Administration

Administrative support for the Committee will be provided by the Clerk, including the taking of minutes of meetings. In the absence of the clerk, the Committee will agree an alternative minute taker.

The agenda for meetings of the Committee will be prepared by the Clerk and agreed by the Committee Chair.

Papers for meetings of the Committee will be circulated 7 days in advance of the meeting.

Minutes of Committee meetings will be approved in draft by the Committee Chair and the draft will be submitted to next scheduled meeting of the Trust Board. Final approval of the minutes will be agreed by the Committee at its next meeting.

The Committee's terms of reference will be reviewed annually and the Committee will self-assess its performance against the terms on an annual basis.

Responsibilities

Financial

- Scrutiny of budget plans for endorsement by the Trust Board;
- Regular monitoring of income and expenditure against budget plans, with analysis of

variances; seeking value for money and ensuring resources are applied appropriately; monitoring and reviewing expenditure regularly; maintaining proper accounting records and preparing expenditure and balance sheets; notifying the Trust of any significant changes to fixed assets used by the Academies; supporting the Trust Board in relation to the annual budgetary process; observing proper levels of delegation.

- Monitoring of progress of significant capital projects;
- Recommendation and review of the effectiveness and value for money of business systems used by all Academy.
- Reviewing the Trust's internal and external financial statements and reports to ensure that they reflect best practice, the Academy Trust Handbook and other relevant regulations;
- Monitoring the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance;
- Recommending the Trust's financial procedures to the Trust Board
- Keeping a watching brief over the quality of the premises and recommending capital projects to the Trust Board and if appropriate applying for capital grants.
- Considering any other matters where requested to do so by the Trust Board
- Ensuring that adequate insurance cover in compliance with the Trust's legal obligations is provided. Unless otherwise agreed this will be arranged via the DfE's Risk Protection Arrangement (RPA)

External Audit

- Discussing with the external auditor, the findings of the annual audit once completed.
- Noting and ensuring action is taken for any recommendations from the external auditor in their annual Audit Findings Report;
- Recommending to the Board the adoption of the annual Trust Report and the audited accounts;
- Making recommendations to the Members and the Trust Board in relation to the appointment, reappointment, remuneration and/or removal of the external auditor and internal auditor

Internal Scrutiny

Internal Scrutiny will focus on:

- Evaluating the suitability of, and level of compliance with, financial and non-financial controls. This includes assessing whether procedures are designed effectively and efficiently, and checking whether agreed procedures have been followed
- Offering advice and insight to the Board on how to address weaknesses in financial and non- financial controls, acting as a catalyst for improvement, but without diluting management's responsibility for day to day running of the Trust ensuring all categories of risk are being adequately identified, reported and managed

These duties will be carried out by: -

- Engaging an external organisation to conduct internal scrutiny. This committee will make recommendations to the Members and the Trust Board in relation to the appointment, reappointment, remuneration or and removal of the internal auditor after following a process of assessing three appropriate providers and after following the instructions contained in the latest edition of the Academy Trust Handbook
- Ensuring that the appointed internal auditor reports directly to this committee and this committee will in turn provide assurance to the Board
- Considering all reports received through the Internal Scrutiny process, and reviewing the effectiveness of the internal controls system
- Monitoring the implementation of action to address adverse control findings by internal scrutiny process
- Considering an annual summary of the areas covered by Internal Scrutiny and ensuring that this is made available to all Trustees

Risk

- Ensuring the Trust is complying with the overall requirements for internal scrutiny and Risk Management, as specified in the Academy Trust Handbook
- Agreeing the annual programme of risk-based internal scrutiny covering all of the Trust's principal risks.
- Overseeing the annual assessment of the Risk Register ahead of it being reviewed by the Trustees
- Receiving a report on progress against the agreed internal scrutiny plan
- Recommending any changes to the Risk Management Policy to the Trust Board
- Recommending to the Board approval of a Trust wide Risk Register
- Reviewing the ratings on the Risk Register at appropriate times of the year

Health & Safety

- Monitoring RIDDOR and the frequency of any serious accidents
- Reviewing the annual safeguarding audit
- Reviewing the annual health and safety audit
- Reviewing progress against health and safety action plan as a result of health and safety audit
- Receiving confirmation of termly Single Central Record checks by Executive Head
- Overseeing arrangements for educational visits

Date of approval of the Terms of Reference: 8th December 2021