

Finance, Audit and Risk Committee - Terms of Reference

APPROVAL and REVIEW

Review date: ***Jul. '19***

Approval needed by: ***Trust Board***

Adopted: ***Jul. '19***

Next review date: ***Sep. '20***

1. The role of the Finance, Audit and Risk Committee

- 1.1 Provide the Trust Board with assurances over the suitability of, and compliance with, the Trust's financial systems and controls and for the management of risk.
- 1.2 Review the immediate and projected financial health of the Trust and its partner schools and its capacity to support an effective and continuously improving education for its students.

2. Responsibilities for financial systems and controls and propriety

- 2.1 Review the scope, adequacy and effectiveness of the Trust's internal financial controls, including its internal audit and internal control and management systems, identifying risks and agreeing actions to mitigate these risks.
- 2.2 Ensure that any recommendations for improvement by external auditors, internal audit review or by external agencies (e.g. EFA or DfE) are carried out. Monitor and evaluate the impact of these actions.
- 2.2 Report on the value for money of goods and services procured by the Trust.
- 2.3 Review and approve the Accounting Officer's statements on regularity, propriety and compliance, with regard to internal controls and risks, included in the Annual Report.

3. Responsibilities for risk management and business continuity

- 3.1 Determine arrangements for conducting comprehensive risk assessments across the Trust.
- 3.2 Review, update and approve the Trust's Risk Register, reporting termly on risk to the Trust Board.
- 3.3 Review, update and approve the Trust's Business Continuity and Contingency Plan, reporting annually to the Board.
- 3.4 Keep under review the adequacy and security of the Trust's procedures for whistleblowing, through which employees can raise concerns, in confidence, about possible wrongdoing.

4. Responsibilities for strategic financial and estate management (shared with Full Trust Board)

- 4.1 Develop and oversee a 3-year financial plan for all academies in the Trust.

- 4.2 Prepare a consolidated budget for the Trust and, in circumstances where an academy's budget is in deficit, prepare and confirm its annual budget statement.
- 4.3 Receive and consider information about the financial performance of the Trust.
- 4.4 Monitor student admission numbers overall and in each academy, determining (as appropriate, and in consultation with LGBs) arrangements for organisational change.
- 4.5 Determine arrangements for bidding for, and allocating, capital funding for the maintenance, improvement, replacement and expansion of the Trust's buildings and estate.

5. Organisational characteristics and arrangements

- 5.1 The Finance, Audit and Risk Committee comprises at least two Directors, the Executive Headteacher and the Trust Business Manager. There must be a majority of Directors.
- 5.2 Meetings are quorate when three serving Committee members are present, including two non-executive Directors / Members.
- 5.3 The term of office, for Committee members, is four years. The Executive Director and Trust Business Manager hold office ex-officio as long as they are in post. Any Director / Member can be re-elected or re-appointed.
- 5.4 The Finance, Audit and Risk Committee meets on three occasions each year (once per term). As required, other meetings may be convened.
- 5.5 Where a decision is decided on a vote, Directors have one vote each and (as required) the Chair has the casting vote.
- 5.6 Directors will be appointed to the Finance, Audit and Risk Committee on the basis of their skills and experience in relation to financial matters.
- 5.7 The Trust Board will appoint the Chair (annually), who will be a non-executive Director.
- 5.8 The Executive Director has delegated powers with regard to the overall leadership, management and performance of the Trust.
- 5.9 Additional 'professional advisers' (Headteachers, staff with specific responsibilities and external agents), are invited to Trust Board meetings, as appropriate but have no decision-making remit.

6. Policies and other documents for Trust Board approval

- 6.1 The following policies and documents are approved by the Trust's Finance, Audit and Risk Committee [The Trust Board approves various other policies and documents, as outlined in the Trust Board Terms of Reference]:

<i>Policy / document</i>	<i>Time period between versions</i>
Asset Management Policy and Plan	2 years
Audit (Internal and External): Response to Recommendations	1 year
Business Continuity and Contingency Plan	1 year
Charging and Remissions Policy	2 years
Data Protection (GDPR) Policy	2 years
Draft Budget Statement	1 year
Educational Trips and Visits Policy	2 years
Expenses Policy	2 years
Health and Safety Policy	1 year
Investment Policy	2 years
LGPS Employer Discretions Policy	2 years
Procurement Policy	2 years
Risk Management Policy	1 year
Risk Register	6 months
Whistleblowing Policy	2 years