



NET Academies Trust

Finance, Audit & Risk, HR and Pay Committee

Summary Remit

Under delegated authority from the NET Academies Trust Boards to:

- maintain an oversight of the Academy Trust's financial, governance, risk management and internal control system
- develop long term financial plans and budget guidelines;
- scrutinise and approve academy cluster budgets against agreed development plans;
- monitor academy cluster management accounts;
- scrutinise and approve central services budgets against agreed service development and delivery plans;
- monitor central services management accounts;
- scrutinise and approve NET budget against agreed plans;
- monitor NET management accounts;
- arrange and take action as necessary on internal and statutory audits;
- staff pay and remuneration;
- approve trust policies or recommend policies to the Board for approval in line with the Trust's Scheme of Delegation and Policies Schedule



NET Academies Trust

Finance, Audit & Risk, HR and Pay Committee

Terms of Reference

1. Powers of the Trust Board of Directors

- 1.1. The Directors of the Trust Board shall establish the Finance, Audit & Risk, HR and Pay Committee as a Trust committee as empowered by the Trust's Articles of Association (Article 100B).
- 1.2. The Directors shall determine and approve the Committee's Terms of Reference and shall review the Terms at the start of each academic year (Article 101).
- 1.3. The Directors shall determine and approve the delegation of powers, responsibilities and duties to the Committee and shall review this Scheme of Delegation at the start of each academic year (Article 105).
- 1.4. The Directors shall have the right to intervene in the governance of an individual academy where it has serious cause for concern that there is financial mismanagement or failure to operate within budget, management of staff or a threat to their safety and well-being.
- 1.5. The Trust Scheme of Delegation (SoD) is referred to in this document and available on the Trust website.

2. Powers of the Finance, Audit & Risk, HR and Pay Committee

- 2.1. The Committee shall exercise the powers, responsibilities and duties delegated by the Trust Board as set out in the Terms of Reference and Scheme of Delegation, and in particular:
 - 2.1.1. to prepare and recommend to the Trust Board the Trust and Academy Financial Regulations and Procedures to comply with relevant statute and regulation, the Trust's Scheme of Delegation and the decisions of the Directors (SoD 5.1);
 - 2.1.2. to review, recommend to the Trust Board and monitor the individual academy annual budgets that are proposed by the Chief Executive, with a specific responsibility to ensure that budgets do not go into deficit (SoD 5.10 – 5.11);
 - 2.1.3. to review, recommend to the Trust Board and monitor the Trust annual budget that consolidates individual academy budgets with Trust central costs and charges, with a specific responsibility to ensure the Trust budget does not go into deficit (SoD 5.3 – 5.4);
 - 2.1.4. to identify and propose to the Trust Board opportunities for the Trust to achieve financial and resource efficiencies for member academies through joint commissioning and procurement;
 - 2.1.5. to review and approve the Trust and Academy Interim Year End financial reports prior to audit (SoD 5.5 & 5.13);
 - 2.1.6. to review and recommend to the Trust Board the appointment and re-appointment of the Trust's auditors (SoD 5.2);
 - 2.1.7. to plan and oversee the statutory audit of Annual Accounts for the Trust and each academy;



- 2.1.8. to review and recommend to the Trust Board the audited Annual Accounts and Financial Statements in accordance with relevant statute and regulation (SoD 5.6);
 - 2.1.9. to review and recommend to the Trust Board the Trustees Report (SoD 5.7);
 - 2.1.10. to prepare and recommend to the Trust Board and implement the Trust action plan in response to the auditor's management letter (SoD 5.9);
 - 2.1.11. to review and approve the annual Accounts Return to the Education and Skills Funding Agency (SoD 5.8);
 - 2.1.12. to plan, oversee and monitor the internal audit of Trust and academy compliance with the Trust's financial regulations and procedures and to recommend and implement appropriate action to enhance compliance (SoD 5.14);
 - 2.1.13. to prepare and approve policies relating to the Trust's financial governance and operation including:
 - 2.1.13.1. Procurement;
 - 2.1.13.2. Anti-Fraud and Corruption;
 - 2.1.13.3. Investment;
 - 2.1.13.4. Disposals and write-off of stock assets.
 - 2.1.14. to approve expenditure or contracts between the Upper Limit (as per Trust Finance Regulations) and the OJEU limit in force at the time (SoD 6.3);
 - 2.1.15. to recommend to the Trust Board expenditure above the OJEU limit having completed the necessary procurement (SoD 6.4);
 - 2.1.16. to consider and respond to proposed compensation payments up to £50,000 or the limit set by the Education and Skills Funding Agency (SoD 6.5);
- 2.2. To guide and support the Trust Board in monitoring and managing the working conditions, work / life balance and well-being of Trust employees including absence and sickness;
- 2.3.1. to review and approve policies relating to the employment and management of Trust staff (SoD 3.1 and 3.5 – 3.11)
 - 2.3.2. to review and recommend to the Trust Board the annual pay awards for Trust staff, Teachers and Support staff, having consulted on the financial implications of the proposals. The Committee shall consider relevant local and national agreements and ensure that the proposals are compliant with relevant legal and regulatory requirements and with the Trust's relevant policies, including consultation with unions and professional associations (SoD 3.2 – 3.3),
 - 2.3.3. to review and recommend to the Trust Board proposals for the restructuring and redundancy of staff. The Committee shall ensure that the proposals are compliant with relevant legal and regulatory requirements and with the Trust's relevant policies (SoD 4.20 – 4.21),
 - 2.3.4. to establish a sub-group of board members for the performance management and remuneration of the Chief Executive (SoD 3.4)
- 2.3. The Audit & Risk Committee, as a separate dedicated Sub-committee within the Finance, Audit & Risk, HR and Pay Committee:**



- 2.3.1. Is responsible for maintaining an oversight of the Academy Trust's financial, governance, risk management and internal control systems;
- 2.3.2. Is responsible for reporting findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the trust's annual reporting requirements;
- 2.3.3. The Audit & Risk Sub-committee is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Board;
- 2.3.4. The Audit & Risk Sub-committee is authorised to
 - 2.3.4.1. Request any information it requires from any employee, external audit, internal audit, or other assurance provider.
 - 2.3.4.2. Obtain outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or the Trust Board.
- 2.3.5. Will report back to the Trust Board every term
- 2.3.6. Will provide an annual summary report provided by the internal auditor and areas reviewed by internal audit covering key findings, recommendations and conclusions.
- 2.3.7. Will advise the Board on the effectiveness and resources of the external/internal auditors to provide a basis for their reappointment, dismissal, retendering or remuneration. Considerations may include:
 - 2.3.7.1. The auditor's sector expertise.
 - 2.3.7.2. Their understanding of the trust and its activities
 - 2.3.7.3. Whether the audit process allows issues to be raised on a timely basis at the appropriate level
 - 2.3.7.4. The quality of auditor comments and recommendations in relation to key areas
 - 2.3.7.5. Where relevant, the personal authority, knowledge and integrity of audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
 - 2.3.7.6. The auditors' use of technology
- 2.3.8. Will ensure there is co-ordination between internal audit and external audit and any other review bodies that are relevant
- 2.3.9. Will consider the reports of the auditors and, when appropriate, advise the Trust Board of material control issues
- 2.3.10. Will encourage a culture within the trust whereby each individual feels that he or she has a part to play in guarding the probity of the Trust, and is able to take any concerns or worries to an appropriate member of the management team or in exceptional circumstances directly to the Board of Trustees.
- 2.3.11. Will review the external auditor's plan each year; review the annual report and accounts; review the auditor's findings and actions taken by the trust's SLT in response to those findings; produce an annual report of the committee's conclusions to advise the board of trustees and members.
- 2.3.12. Will take designated responsibility on behalf of the board of trustees for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the Trust is complying



with the overall requirements for internal scrutiny, as specified in the Academies Financial Handbook.

- 2.3.13. Will conduct a regular review of the risk register.
- 2.3.14. Will agree an annual programme of internal audit which is objective and independent, covering systems, controls, transactions and risks.
- 2.3.15. Will advise the trustees on the adequacy and effectiveness of the trust's systems of internal control, governance and risk management processes.
- 2.3.16. Will consider the appropriateness of executive action following internal audit reviews and to advise the board on any additional or alternative steps to be taken.
- 2.3.17. Will oversee the annual review of the trust's risk register.

3. Composition and Appointment of the Finance, Audit & Risk, HR and Pay Committee

- 3.1. The composition of the Finance, Audit & Risk, HR and Pay Committee shall be as follows:
 - 3.1.1. Directors with relevant knowledge, skills and expertise in finance, accountancy, compliance, commerce and business, human resources, personnel and pay management;
 - 3.1.2. Chief Executive;
 - 3.1.3. Trust Chief Financial Officer;
 - 3.1.4. Trust Chief Operating Officer.
- 3.2. The composition of the Audit & Risk Sub-committee shall be all members of the Finance, Audit & Risk, HR and Pay Committee who shall not be employees of the Trust.
- 3.3. The Chair of trustees should not be chair of the Audit and Risk Sub-committee
- 3.4. As the Audit and Risk Sub-committee is combined with another committee, employees should not participate as members when audit matters are discussed.
- 3.5. Any trustee may attend a meeting of the Audit and Risk Sub-committee, including those who are not members of the Audit and Risk Sub-committee.
- 3.6. The membership of the Committees shall be detailed as [Annex 1](#).

4. Term of Office and Responsibilities of Committee Members

- 4.1. The Term of Office for all Members is 4 years.
- 4.2. On appointment Members are each required to familiarise themselves and to agree to comply with:
 - 4.2.1. Trust Articles of Association;
 - 4.2.2. Trust Master and Supplementary Funding Agreements;
 - 4.2.3. Trust Financial Regulations;
 - 4.2.4. Academies Finance Handbook;
 - 4.2.5. these Terms of reference;



- 4.2.6. current relevant legislation and guidance on the employment of staff;
- 4.2.7. current relevant financial legislation and guidance for academies.

5. Meetings of the Committee

- 5.1. The Committee shall normally meet at least once per term and in particular:
 - 5.1.1. The Committee shall meet at the appropriate times set out in the Trust Governance Calendar;
 - 5.1.2. The members will receive notice and documentation of each meeting 7 clear days before the date of the meeting;
 - 5.1.3. The agenda, papers and minutes of Committee meetings will be sent by the Governance Professional to the Directors when they are issued to members;
 - 5.1.4. Minutes will be signed by the Committee's Chairs at the next meeting to verify that the minutes are a true record.
- 5.2. Quorum for a meeting of the Committee will be half the members and a majority of members present being Trust Directors.
- 5.3. Each question to be decided at a meeting of the Committee shall be determined by a majority of votes of members present and eligible to vote on the question. The Chair shall have the casting vote in the case of equal votes for and against the decision.

6. Appointment of the Committees Chair and Vice Chair

- 6.1. The Trust Board shall appoint the Chair and Vice Chair.
- 6.2. The Trust Board shall have the right to remove the Chair and/or Vice Chair.
- 6.3. The term of office for Chair and Vice-Chair will be 1 year and they shall be appointed at the first meeting of each school year.

7. Appointment of a Governance Professional

- 7.1. The Trust Board shall appoint a Governance Professional to the Committees.



Declaration

The Finance, Audit & Risk, HR and Pay Committee at their meeting on 13 March 2024 resolved to adopt these Terms of Reference. A copy has been forwarded to the Governance Professional to the Directors for the formal Trust Board records. These Terms of Reference will be reviewed annually at the start of the academic year.

Signature

(Chair of the Finance, Audit & Risk, HR and Pay Committee)

Date of signature



ANNEX 1

NET Academies Trust

Finance, Audit & Risk, HR and Pay Committee Committee Membership

The members of the Finance, Audit & Risk, HR and Committee at December 2025 are:

Tom Meeks	Trustee	Chair of Committee
Hayley Nicolaou	Trustee	
Christine Baxter	Trustee	
Jo Coton	Chief Executive Officer	
Vicky Carlin	HOO	
Abdul Juned	CFO	

The members of the Audit & Risk Sub-committee at December 2025 are:

Tom Meeks	Trustee	Chair of Committee
Hayley Nicolaou	Trustee	
Christine Baxter	Trustee	

Governance Professional to the Committees	Peter Hobbs	
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