Confirmed Resources, Audit and Risk Committee – Terms of Reference 2023-2024

(Agreed at Full Trustee Board of 21/11/23 – membership changed 12/03/24 FTB)

Note: These Terms of Reference align with the NGA's recommended Terms of Reference for this Committee

Membership

1. The Committee shall consist of at least six members of the Trustee Body.
2. The Chair of the Committee will normally be a member of the Board of Trustees, but can not be the Chair of Trustees.
3. The Accounting Officer (Headteacher) and Chief Financial Officer (Strategic Business Development Manager) should be in attendance at Committee meetings if not members in their own right.
4. Non-voting participants may be invited to meetings by the Committee as and when required.
5. The Committee shall have such co-opted, non-voting members as the Trustee Body shall appoint. The Committee may make recommendations for these appointments.

In addition, for Audit and Risk discussions:

- The chair of trustees should not be chair of the audit and risk committee. Where the finance committee and audit and risk committee are separate, the chair should not be the same.
- Employees of the trust should not be audit and risk committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions.
- Where the audit and risk committee is combined with another committee, employees should not participate as members when audit matters are discussed.

The membership of the Committee shall be reviewed and determined annually by the Trustee Body. The agreed membership of the Committee for 2023-2024 is shown at the end of this document.

Quorum

The quorum shall be three members, excluding any co-opted non-voting members.

Meetings

The Clerk to the Board/the Chair shall be responsible for convening meetings of the Committee. Procedures of any meetings held must be minuted and these minutes presented to the next meeting of the Trustee Body.

The Committee shall meet at least once a term and otherwise as required.

Responsibilities

Financial Policy and Planning

1. To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments (virements) for the Committee, Headteacher and other nominated staff.
2. To review, adopt and monitor all additional financial policies, including a charging and remissions policy.
3. To establish and maintain a three-year financial plan, taking into account the priorities of the School Improvement Plan, roll projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information.
4. To receive, consider and recommend approval of the annual budget for subsequent formal approval by the Trustee Body.
5. To make decisions in respect of service level agreements.

6. To ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the Headteacher.

Financial Monitoring

1. To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
2. To receive at least termly budget monitoring reports from the Headteacher.
3. To report back to each meeting of the full Trustee body and to alert them of potential problems or significant anomalies at an early date.
4. To meet with other Committees and provide them with the information they need to perform their duties.
5. Subject to the local scheme of delegation, to approve any budgetary adjustments that will from time to time be necessary in response to the evolving requirements of the school.
6. To prepare the Trustees Report to form part of the Statutory Accounts of the Trustee body and for filing in accordance with Companies Act requirements.
7. To receive auditors' reports and to recommend the Trustee body action as appropriate in response to audit findings.
8. To recommend to the full Trustee body the appointment or reappointment of the auditors of the Academy.

Premises

1. To provide support and guidance for the Trustee body and the Headteacher on all matters relating to the maintenance and development of the premises and grounds, including Health and Safety.
2. To ensure that an annual inspection of the premises and grounds takes place and a report is received identifying any issues.
3. To inform the Trustee body of the report and set out a proposed order of priorities for maintenance and development, for the approval of the Trustee body.
4. To arrange professional surveys and emergency work as necessary
    - The Headteacher is authorised to commit expenditure without the prior approval of the Committee in any emergency where delay would result in further damage or present a risk to the health and safety of pupils or staff. In this event the Headteacher would normally be expected to consult the Committee Chair at the earliest opportunity.
5. To create a project committee where necessary to oversee any major developments.
6. To establish and keep under review an Accessibility Plan and a Building Development Plan.
7. To review, adopt and monitor a Health and Safety policy.
8. To ensure that the Trustee body's responsibilities regarding litter, refuse and dog excrement are discharged according to Section 89 of the Environmental Protection Act 1990, so far as is practicable.

Staffing

1. To ensure that the school is staffed sufficiently for the fulfilment of the School's Development Plan and the effective operation of the school.
2. To establish and oversee the operation of the school's Appraisal Policy – including the arrangements and operation of the school's appraisal procedures for the Headteacher.
3. To establish a Pay Policy for all categories of staff.
4. To be responsible for the administration and review of the Pay Policy.
5. To ensure that staffing procedures (including recruitment procedures) follow current equalities legislation.
6. To annually review procedures for dealing with staff discipline and grievances and make recommendations to the Trustee body for approval.
7. To monitor approved procedures for staff discipline and grievance and ensure that staff are kept informed of these.

8. To recommend to the Trustee body staff selection procedures, ensuring that they conform with safer recruitment practice, and to review these procedures as necessary.
9. In consultation with staff, to oversee any process leading to staff reductions.
10. To establish the annual and longer-term salary budgets and other costs relating to personnel, eg training.

Audit & Risk - in line with the Academy Trust Handbook 2023

Note that employees should not participate as members when audit matters are discussed.

Internal scrutiny

To ensure that risks are being addressed appropriately through internal scrutiny by:

1. Agreeing a programme of work annually to deliver internal scrutiny across the Trust throughout the year. The ratings and responses on the Trust Risk Register should be used to inform the programme of works, ensuring checks are modified as appropriate each year, with higher risk areas reviewed in good time.
2. Agreeing who will perform the internal scrutiny function on behalf of the Trust. The Committee should have access to those carrying out internal scrutiny, in order to review their plans and reports, and also consider their quality.
3. Considering reports at each meeting from those carrying out the programme of work, incorporating:
   - Recommendations where appropriate to enhance financial and non-financial controls and risk management
   - A review of progress in addressing previous recommendations.
   - An annual summary report for each year ended 31 August outlining the areas reviewed, key findings, recommendations and conclusions, to help the committee consider actions and assess year on year progress.
4. Reporting to the Board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.
5. Considering outputs from other assurance activities by third parties, including ESFA financial management and trustee reviews, funding audits and investigations.

The Committee's findings on Internal Scrutiny must also be made available to all Trustees promptly.

External audit oversight

To provide advice to the Board of Trustees in order that it can ensure that there is an appropriate, reasonable and timely response by the Trust's management team to findings by external auditors, taking opportunities to strengthen systems of financial management and control. Specifically the audit and risk committee must:

1. Review the external auditor's plan each year
2. Review the annual report and accounts
3. Review the auditor's findings and actions taken by the trust's managers in response to those findings
4. Assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering. Considerations may include:
5. the auditor's sector expertise
6. their understanding of the trust and its activities
7. whether the audit process allows issues to be raised on a timely basis at the appropriate level
8. the quality of auditor comments and recommendations in relation to key areas
9. the personal authority, knowledge and integrity of the audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
10. the auditor's use of technology
11. Produce an annual report of the committee's conclusions to advise the Board of Trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.

Agreed Membership of the Resources, Audit & Risk Committee for 2023-2024

Mrs Rachel Lancaster (Chair)
Mr Damien Savage (Vice Chair)
Miss Jemma Oliver

Miss Chrissie Church
Mr Owen Hughes
Mrs Elle Diamond-Bugler - during Audit & Risk discussion, Elle is a **non-voting contributor only**

Mr Matthew Eastham (Headteacher/Accounting Officer – ex officio) - during Audit & Risk discussion, Matthew is a **non-voting contributor only**

NONE TRUSTEE - Mrs Cheryl Barker - during Audit & Risk discussion, Cheryl is a **non-voting contributor only**