

**ASPIRE AP ACADEMY
FINANCE COMMITTEE**
(including Premises, Health & Safety, Personnel, Audit & Risk)
TERMS OF REFERENCE 2021-22

Academy governors/trustees/members should be mindful of their Articles of Association, agreed Scheme of Delegation and the current Academy Trust Handbook (ATH).

CONSTITUTION

Membership

- According to agreed committee structure.
- **NB:** any employees of the Trust cannot be Audit & Risk committee members but the AO and CFO should attend to provide information and participate in discussions.
- An academy/MAT cannot appoint Associate Members but can grant voting rights to individuals, due to their area of expertise, enabling them to sit on a named committee. AoA will confirm.

Quorum – at least **THREE** (majority to be trustees/governors).

Clerk – cannot be a Headteacher/CEO. It is best practice to appoint an independent clerk.

Voting Rights – restricted to committee members. Chair to have a casting vote but only if a trustee.

Chair – to be elected by the Committee (cannot be the Chair of Trustees).

General Terms

- To act on matters delegated by the full board.
- To liaise and consult with other committees where necessary.
- To contribute to the School/Academy Improvement Plan.
- To consider safeguarding and equalities implications when undertaking all committee functions.

Audit & Risk

- Direct the Trust's programme of internal scrutiny
- Ensure that risks are being addressed appropriately through internal scrutiny
- Report to the board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and management of risks.

FINANCE

Financial policy and planning

- To review, adopt and monitor a Finance Policy which includes the local scheme of delegation for spending and budgetary adjustments (virements) for the committee, CEO and other nominated staff.
- To review, adopt and monitor all additional financial policies, including a Charging and Remissions Policy.
- To establish and maintain a three-year financial plan, taking into the account priorities of the Academy Improvement Plan, roll projection and signals from central government and (if applicable) the LA regarding future years' budgets, within the constraints of available information.
- To draft and propose to the full board for adoption an annual school budget taking into account the priorities of the Academy Improvement Plan.
- To make decisions in respect of service level agreements.
- To ensure that sufficient funds are set aside for pay increments as set out in the Pay Policy and as recommended by the CEO.

Financial Monitoring

- To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
- To receive at least termly budget monitoring reports from the CEO (noting that the management accounts should be shared with all trustees at least six times a year).
- To report back to each meeting of the full board and to alert them of potential problems or significant anomalies at an early date.

- To liaise with other committees, if applicable, and provide them with the information they need to perform their duties.
- 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.

Trustees

- To prepare the Trustees Report to form part of the Statutory Accounts of the board and for filing in accordance with Companies Act requirements.
- To receive auditors' reports and to recommend the board action as appropriate in response to audit findings.

PREMISES, HEALTH & SAFETY

- To provide support and guidance for the board and the CEO on all matters relating to the maintenance and development of the premises and grounds, including Health and Safety.
- To ensure that an annual inspection of the premises and grounds takes place and a report is received identifying any issues.
- To inform the board of the report and set out a proposed order of priorities for maintenance and development, for the approval of the board.
- To arrange professional surveys and emergency work, as necessary.
The CEO 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 CEO would normally be expected to consult the committee chair at the earliest opportunity.
- To create a project committee where necessary to oversee any major developments.
- To establish and keep under review an Accessibility Plan and a Building Development Plan
- To review, adopt and monitor a Health and Safety policy.
- To ensure that the board's responsibilities regarding litter and refuse are discharged according to Section 89 of the Environmental Protection Act 1990, so far as is practicable.

PERSONNEL

- To ensure that the School is staffed sufficiently for the fulfilment of the School's Improvement Plan and the effective operation of the School.
- 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 CEO.
- To establish a Pay Policy for all categories of staff.
- To be responsible for the administration and review of the Pay Policy.
- To ensure that staffing procedures (including recruitment procedures) follow equalities legislation.
- To annually review procedures for dealing with staff discipline and grievances and make recommendations to the governing board for approval.
- To monitor approved procedures for staff discipline and grievance and ensure that staff are kept informed of these.
- To recommend to the board staff selection procedures, ensuring that they conform with safer recruitment practice, and to review these procedures as necessary.
- In consultation with staff, to oversee any process leading to staff reductions.
- To establish the annual and longer-term salary budgets and other costs relating to personnel, e.g. training.

AUDIT & RISK

Risk

- Oversee the Trust's Risk Register and management of risk, on advice from the Accounting Officer and Chief Financial Officer
- Conduct a regular review of risks
- Review systems and methods of control both financial and including risk analysis and risk management, to ensure the Trust is compliant with the internal scrutiny requirements in the ATH
- Provide assurance to the board that risks are being adequately identified and managed

Internal Scrutiny

- Agree an annual programme with Trust's internal auditors for checking financial systems, controls, transactions and risks
- Ensure that the programme of internal scrutiny delivers objective and independent assurance
- Advise trustees on the adequacy and effectiveness of the Trust's systems of internal control and governance processes, securing value for money
- Consider the appropriateness of executive action following internal audit/internal scrutiny reviews

Auditors

- Advise the board on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit)
- Monitor the effectiveness of auditors
- Review the findings of the external auditors and agree any action plan arising from it
- Ensure there is co-ordination between internal audit and external audit and any other relevant review bodies
- Ensure that additional services undertaken by the auditors is compatible with the audit independence and objectivity

MEETING FREQUENCY

At least termly.

MINUTES

Will be taken at the meeting and made available to all members of the board (*information relating to a named person or any matter which the committee considers confidential, will not be made public or may be restricted circulation*).

REVIEW

To review these Terms of Reference annually.