



Terms of Reference for the Resources, Risk and Audit Committee

As a governing body, we have taken the decision to combine the Resources Committee with the Risk and Audit Committee. Whilst it is one committee, there are general terms of reference for the Resources, Risk and Audit Committee, but then separate sub-terms of reference for Resources and for Risk and Audit.

General Terms of Reference for Resources, Risk and Audit Committee

- To act on matters delegated by the full governing body.
- To liaise and consult with other committees where necessary.
- To contribute to the Academy's School Development Plan.
- To consider safeguarding and equalities implications when undertaking all committee functions.
- Working in line with the Academy's Handbook.

Quorum

- Three trustees of the committee.

Meetings

- The Committee will meet three times per year.
- The Committee meetings will not be open to the public but minutes shall be made available. Information relating to a named person or any other matter that the committee considers confidential does not have to be made available for inspection.
- In the absence of the chair, the vice chair will be acting chair for that meeting.
- In the absence of the clerk, the committee meeting shall be rearranged if there is no substitute clerk.
- The draft minutes of each meeting will be circulated with the agenda for the next meeting of the full governing body and will be presented at that meeting by the chair (or in his/her absence another member of the committee). The chair of the Resources, Risk and Audit Committee, Principal and School Business Manager will check the minutes before the full governing body meeting.
- Any decisions taken must be determined by a majority of votes of committee members present and voting – but no vote can be taken unless a majority of those present are governors.

Terms of Reference for Resources Committee

Financial Policy and Planning

- To review, adopt and monitor a Finance Procedures/policy which includes the local scheme of delegation for spending and budgetary adjustments (virements).
- 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 Development Plan, roll projection and guidance from the ESFA.
- To draft and propose to the governing body for adoption an annual school budget taking into account the priorities of the Academy Development 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 Principal.

Financial Monitoring

- To monitor the income and expenditure throughout the year of all delegated and devolved funds against the annual budget plan.
- To receive monthly budget monitoring reports from the School Business Manager.
- To report back to each meeting of the full governing body and to alert them of potential problems or significant anomalies at an early date.
- Subject to the local scheme of delegation, to approve any budgetary virements, in line with the scheme of delegation.
- To prepare the Trustees Report to form part of the Statutory Accounts of the governing body and for filing in accordance with Companies Act requirements.
- As part of the AGM, to receive auditors' reports and to recommend the governing body action as appropriate in response to audit findings.
- As part of the AGM, to recommend to the full governing body the appointment or reappointment of the auditors.

Premises

- To provide support and guidance for the governing body and the Principal 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 governing body of the report and set out a proposed order of priorities for maintenance and development, for the approval of the governing body.
- To review, adopt and monitor a Health and Safety policy.

Staffing

- To ensure that the school is staffed sufficiently for the fulfilment of the Academy's Development 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 Principal.
- 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 body for approval.
- To monitor approved procedures for staff discipline and grievance and ensure that staff are kept informed of these.
- 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.

Terms of Reference for Risk and Audit Committee

Responsibilities

- to maintain an oversight of the Academy Trust's financial, governance, risk management and internal control systems

- to report findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the trust's annual reporting requirements.

Composition

- the membership of the committee will comprise a minimum of 3 trustees.
- 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.
- the chair of trustees should not be chair of the audit and risk committee.
- where the audit and risk committee is combined with another committee, employees should not participate as members when audit matters are discussed.
- until otherwise determined by the board of trustees, a quorum shall consist of 2 members of the committee.
- at least one member of the audit and risk committee should have recent or relevant accountancy, or audit assurance, experience.
- any trustee may attend a meeting of the audit and risk committee, including those who are not members of the audit and risk committee.

Reporting

The Audit and Risk Committee will:

- report back to the full governing body every term.
- provide an annual summary report provided by the internal auditor and areas reviewed by internal audit covering key findings, recommendations, and conclusions.

Coverage

The Audit and Risk Committee will:

- advise the board, as part of the AGM, on the effectiveness and resources of the external/internal auditors to provide a basis for their reappointment, dismissal, retendering, or remuneration. Considerations may include:
 - the auditor's sector expertise
 - their understanding of the trust and its activities
 - whether the audit process allows issues to be raised on a timely basis at the appropriate level
 - the quality of auditor comments and recommendations in relation to key areas
- ensure there is co-ordination between internal audit and external audit and any other review bodies that are relevant
- consider the reports of the auditors and, when appropriate, advise the Trust Board of material control issues.
- 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
- provide minutes of all Audit and Risk Committee meetings for review at board meetings

External Audit

- as part of the AGM, review the external auditor's plan each year
- as part of the AGM, review the annual report and accounts
- as part of the AGM, review the auditor's findings and actions taken by the trust's SLT in response to those findings
- to monitor the findings/actions that were identified in the external audit

Internal Scrutiny

- take delegated 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
- to ensure the Trust is complying with the overall requirements for internal scrutiny, as specified in the Academies Financial Handbook.
- conduct a regular review of the risk register
- agree an annual programme of internal audit
- advise the trustees on the adequacy and effectiveness of the trust's systems of internal control, governance, and risk management processes,
- consider the appropriateness of executive action following internal audit/internal scrutiny reviews and to advise the board on any additional or alternative steps to be taken
- oversee the annual review of the trust's risk register