



## **FINANCE COMMITTEE TERMS OF REFERENCE**

**(September 2017)**

### **1 Purpose**

1.1 The purpose of the Committee is:

- (i) To take a strategic overview of finance and resources in the Trust.
- (ii) To ensure the solvency of the Trust

1.2 Major issues will be referred to the Trust Board for ratification.

### **2 Membership**

2.1 The Committee shall comprise of up to five members and not less than 3 members.

2.2 The membership of the Committee shall be agreed on an annual basis at the last meeting of the Trust Board in each Academic year.

2.3 The quorum shall be two members.

### **3 Appointment of Chair**

3.1 The Trust Board shall agree the Chair of the Committee on an annual basis.

3.2 In the absence of the Chair, members shall appoint a temporary replacement from among their number present at the meeting.

### **4 Appointment of Clerk**

4.1 The Clerk to the Trust shall be the Clerk to the Committee.

4.2 In the absence of the Clerk, members will appoint a replacement for the meeting.

### **5 Meetings**

#### **5.1 Preparation**

The Clerk to the Committee shall circulate to members the agenda and papers

at least a week before each meeting.

## 5.2 Attendance

- (i) The Committee shall have the power to invite such other persons to attend meetings as may be desirable and necessary.
- (ii) Any Trustee may attend meetings of the Committee.
- (iii) Only members of the Committee may vote at the meeting.
- (iv) Where necessary, the Chair may have a second or casting vote.

## 5.3 Frequency of Meetings

The Committee shall meet as often as is necessary to fulfill its responsibilities and at least once each term.

## **6 Authority**

- 6.1 The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any Trustee/Governor, Committee of the Trust or employee of the Trust.
- 6.2 The Committee is authorised by the Trust Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.
- 6.3 In the event of a need to make genuinely urgent decisions between meetings on matters falling within the remit of the Committee, the Chair of the Trust Board, in consultation with the CEO or Principal and Chair of the Committee, will take appropriate action on behalf of the Committee. The decisions taken and the reasons for urgency will be explained fully at the next meeting of the Trust Board

## **7 Duties & Responsibilities**

- 7.1 The Committee shall be responsible for the matters set out in the Schedule and in the Scheme of Delegation.

## **8 Reporting Procedures**

- 8.1 The Clerk to the Committee shall make available minutes of meetings of the Committee to all Trustees.
- 8.2 The Chair of the Committee shall be responsible for giving an oral summary of the Committee's deliberations, if necessary, at meetings of the Trust Board.

## **Schedule**

### **Responsibilities of the Finance Committee**

#### **Funding**

- 1 To consider each of the Academies indicative funding, notified annually by the Department for Education (DfE) and to assess its implications for the relevant Academy
- 2 To consider and recommend acceptance or non-acceptance of the Academy budgets each financial year.

#### **Budgeting**

- 3 To contribute to the formulation of the Academy's strategic plans, through the consideration of financial priorities and proposals, in consultation with each Academy.
- 4 To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year. This will include the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in each of the Schools' strategic plans.
- 5 To consider the spending plans of other committees and report back and advise the Trust Board.
- 6 To delegate the day to day management of the approved budget to relevant the senior officer, within agreed authorisation limits.
- 7 To consider requests for supplementary expenditure and make appropriate recommendations to the Trust Board.
- 8 To review financial policy including consideration of long term planning and resourcing in accordance with each of the Academy development plans.

#### **Expenditure**

- 9 To monitor and review expenditure on a regular basis and ensure compliance with the agreed financial budget and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Trust Board.

## **Financial Procedures**

- 10 To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and where appropriate make recommendations for improvement.
- 11 To review and recommend the financial statement to form part of the annual report of the Trust Board to stakeholders and for filing in accordance with requirements of the Companies Act, Charity Commission and Funding Agreement (including the Academies Financial Handbook)

## **Health & Safety**

- 12 To monitor compliance with the Trust's Health & Safety policies.

## **Asset Management**

- 13 To receive reports on the management of assets including premises and their security.
- 14 To confirm that an asset recording system is in place, including an inventory and fixed asset register for each Academy

## **Property Management**

- 15 To determine the use of the Academy's premises and grounds outside Academy sessions with regard to the lettings and charging policy.
- 16 To ensure that the Academy's premises are inspected on an annual basis and that a planned and costed statement of priorities is prepared and reviewed.
- 17 review regular KPI information to review current staffing position across the Trust.

## **General**

- 18 Reviewing or investigating any other matters referred to the Committee by the Trust Board.
- 19 Drawing any significant recommendations and matters of concern to the attention of the Trust Board.