

1. Purpose

The purpose of the Resource, Audit and Risk Committee is to support the Board of Trustees in fulfilling its corporate governance and oversight responsibilities by providing advice that is independent of management on all items relating to the Trust's finance, audit and risk arrangements and systems of internal control.

The Committee will review and challenge, where necessary, the actions and judgement of management in relation to the Trust's financial statements and shall ensure compliance with charity and company law and other legal requirements as necessary.

These Terms of Reference are in place to enable the Trust Board to deliver its responsibility and accountabilities highlighted within the Articles of Association, Academies Financial Handbook and the Trust Scheme of Delegation.

2. Membership

- The Committee and its chair shall be appointed by the Trust Board, from among its own members.
- The Committee shall comprise of at least 4 Directors.
- The CEO should not be a member of the Resource, Audit & Risk Committee.
- The Chair of the Board should not be Chair of the Resource, Audit & Risk Committee.
- Membership may be extended to a person who is not a member of the Trust Board if the committee and Board of Directors assess a need for specific skills.
- A quorum shall be at least 3 committee members.

3. Attendance at meetings

- The CEO should attend to provide information and participate in discussions.
- Other member of the central team (e.g. Director of Finance, Director of Operations) should attend to provide information and participate in discussions.
- The Clerk shall attend to take a record of the meeting, unless otherwise instructed by the Committee.
- The Committee may invite such other persons to attend meetings as may be desirable and necessary in an advisory capacity. Such a person shall not be entitled to vote.
- Any Director may attend meetings of the Committee.

- Only members of the Committee may vote at the meeting. Where necessary, the Chair may have a second or casting vote.

4. Frequency of meetings

The Committee will meet as often as is necessary to fulfil its responsibilities but **at least three times a year.**

5. Authority

The Committee is authorised by the Board of Directors to:

- carry on and/or investigate any activity authorised by these terms of reference.
- to obtain any outside legal or independent professional advice it considers necessary.
- seek any appropriate information that it requires from any employee of the Trust and all employees shall be directed to co-operate with any request made.

6. Committee responsibilities

The Committee is authorised to fulfil the following responsibilities on behalf of the Board of Directors:

Policy

- To consider and advise the Board of Directors on any matter relating to Trust policy and strategy, including:
 - Trust policies addressing staffing including pay;
 - financial matters including investment and bidding processes;
 - Health and safety matters relating to pupils, staff and premises;
 - Risk management and audit;
 - land and buildings;
 - detailed scrutiny of the Trust's Information Systems strategy, policy, & performance, & advice to the Trust Board.
- To monitor established Trust policies in relation to non-educational services and to recommend changes thereto as necessary.
- To review any issues arising from other Committees which they have been unable to resolve.
- To ensure that the individual academies meet Health and Safety requirements and review the Trust H&S policy regularly.
- To establish and keep under review a Building Development Plan to advise the Trust Board on priorities, including Health and Safety, for the maintenance and development of Trust premises.
- To monitor and oversee Capital and related budgets.
- To monitor premises related expenditure and funding bids.
- To scrutinise the Trust's fundraising strategy, policy and performance & advice to the Trust Board.
- Development and scrutiny of major funding bids reporting to the Trust board.

- To oversee arrangements, including Health and Safety, for the use of Trust premises by outside users, subject to Trust Board policy.
- To consider business/resource aspects of performance monitoring framework and make proposals to the Trust Board.

Finance

- Consider and recommend acceptance/non-acceptance of the Trust's budget, for the start of each financial year.
- In consultation with the CEO, recommend to the Board for approval the formal three-year budget plan of the financial year
- Ensure that the Trust complies with Academies Financial Handbook.
- Consider the Trust's indicative funding, notified annually by the DfE/EFSA, and to assess its implications for the Trust, in consultation with the CEO and Business Manager in advance of the financial year, drawing any matters of significance or concern to the attention of the Trust Board.
- Align the Trust's development plan, with the budget and financial priorities and proposals, in consultation with the CEO.
- Receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- Monitor and review expenditure as appropriate and ensure compliance with the overall financial plan for the Trust, and with the financial regulations of the DfE/EFSA, drawing any matters of concern to the attention of the Trust Board.
- 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 to make recommendations for improvement
- Review the financial statement to form part of the annual report of the Trust Board to parents and for filing in accordance with Companies Act and Charity Commission requirements.
- Consider a budget position statement including Virement decisions at least termly and to report significant anomalies from the anticipated position to the Trust Board in line with the Scheme of Delegation
- Monitor expenditure of all voluntary funds kept on behalf of the Trust Board.
- Annually review lettings policies.
- Consider decisions and review in respect of service level agreements to ensure they provide best value.
- Make decisions on expenditure following recommendations from other committees.

- Deal with any matters specifically referred by the Board or by the CEO relevant to the Committee.

Audit

- To investigate any activity within its Terms of Reference;
- To seek any information it reasonably requires for the proper performance of its role;
- In compliance with all procurement and value for money requirements, obtain such external legal or other independent professional advice as is reasonably necessary for the performance of their role, the cost of which shall be borne by the Trust;
- Review the actions against any recommendations from internal and external audit;
- Receive reports from external auditors and act as point of contact for the external auditors should they have any concerns.
- Advise / Recommend to the Board of Trustees and Members in relation to the appointment of the internal and external audit service, the terms of such appointments, the scope of work to be undertaken by them and the associated fee; monitor their performance in accordance with agreed criteria; and make recommendations to the Members in respect of reappointments, resignations and dismissals;
- Advise the Board of Trustees of any non-audit services undertaken for the Trust by the internal auditors or the external auditors;
- Promote co-ordination between the internal and external auditors;
- Agree the scope for internal audit each year; keep under review the Trust's annual internal audit plan and discuss with the internal auditors any significant findings of internal audit investigations and management responses;
- Consider and report to the Board of Trustees on internal audit assignment reports, annual reports and control issues included in the management letters of the external auditors, and management's responses to those;
- The committee will consider the external auditors report and recommendations and address any problems or concerns arising from the audits, including a review of the management letter incorporating management's responses, as well as any other matters the external auditors wish to raise;
- Monitor, within an agreed timescale, the implementation of audit-based recommendations from whatever source;
- Consider and advise the Board of Trustees on any relevant audit reports and audit guidance.

Internal Control & Risk Management

- Advise the Board of Trustees on the adequacy and effectiveness of the Trust's systems of internal control and its risk management and governance

processes in ensuring that satisfactory arrangements are in place to promote economy, efficiency and effectiveness (value for money);

- Review the adequacy and robustness of the Trust's risk registers, processes and procedures for the identification, assessment, evaluation, management and reporting of risks;
- Report periodically to the Board of Trustees on the effectiveness of the Trust's risk management, internal controls and governance processes, and any significant matters arising from the work of the internal and external auditors;
- Assist the Board as required in relation to the production of the Trust's annual report.
- Regularly review the Risk Register to inform the programme of work, ensuring checks are modified as appropriate each year.

Advisors

- Review recommendations re the Trust's main legal advisers, investment advisers & the terms of their appointment, and advise the Trust board.
- Approve the trust's bankers.

Premises

- To review the arrangements in place for the provision of support services and to make recommendations to the Trust Board as to the options for service provision that offer best value for money.
- To monitor the effectiveness of the academy's arrangements for ensuring the security and appropriate deployment of its assets. To receive annual reports from the academy on its asset base and to make recommendations, where necessary, to improve systems and procedures.
- To receive regular updates on the maintenance of the academy building.
- To assist the Trust Board and CEO to discharge their responsibilities under the Health and Safety at Work Act 1974 and other relevant legislation in collaboration with the LA.
- To monitor the effectiveness of the academy's Health & Safety arrangements, make periodic inspections of buildings, plant and equipment and report at least once a year to the Trust Board (from the PFI providers where applicable).
- To ensure that the necessary academy management organisation is in place to implement the policy.

Personnel/HR

- Review & recommendation to the Trust Board re HR Strategy and Policies and terms and conditions of employment.
- to determine the staffing structure for the Trust and review staffing on an annual basis.

- to support the CEO in recruiting Executive staff and academy Principals and approve such appointments.
- If needed, to provide directors to assist the CEO or Principal in recruiting staff at SLT level in individual academies.
Any Principal and Vice Principal recruitment is to be conducted in accordance with statutory legislation.
- to review the operation of sickness absence procedures and monitor sickness absences.

Strategy and planning

- Detailed scrutiny & challenge of the business aspects of the Trust's strategic & annual plans & budgets with advice to the Trust Board.
- Detailed scrutiny & challenge of the business aspects of each school's strategic & annual plans & budgets with advice to the Trust Board.

7. Reporting procedures

The minutes of meetings of the Committee will be circulated to all members of the Trust Board.