



THE CONSORTIUM
ACADEMY TRUST

Shaping Positive Futures

Terms of Reference for the Finance, People and Resources Committee

1.0 Role, Purpose and Authority

- 1.1 The role of the Finance, People and Resources Committee (“the Committee”) is to ensure and give oversight to the sound financial management of the Trust, its resources, people and health and safety matters including proper planning, monitoring, probity and business professionalism.
- 1.2 The Committee operates under a Scheme of Delegation from the Trust Board. These Terms of Reference set out the Committee’s responsibilities in line with that Scheme of Delegation.
- 1.3 The Committee will make appropriate comments and recommendations to the Trust Board for consideration and ratification. Recommendations will include the strategic and operational direction of the Trust as a whole in respect of financial, operational, staffing and use of other resources to meet priorities set by the Trust Board.
- 1.4 Major issues will be referred to the Trust Board for ratification in line with the terms of the Scheme of Delegation.
- 1.5 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 Governor, Committee of the Trust Board, or employee of the Trust. All Governors, Directors and employees of the Trust are directed to co-operate with any request made by the Committee.
- 1.6 The Committee is authorised by the Trust Board to obtain external legal or other independent professional advice and to secure the attendance of external consultants with the relevant experience and expertise if it considers this necessary.
- 1.7 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 Chief Executive 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.

2.0 Membership and Quorum

- 2.1 The membership of the Committee will comprise:
 - The Chief Executive Officer
 - The Chair or Vice-Chair of the Trust Board
 - A minimum of two other Trust Board members
 - Director of People
 - Director of Finance

- 2.2 Other persons may also be invited to attend for all or part of any meeting, as appropriate. This includes external auditors, Chair(s) of the Local Governing Body and Headteachers when needed. Such persons will not be entitled to vote at the meeting. The external auditors may request a meeting if they consider one necessary.
- 2.3 A Trust Board member, other than the Chief Executive, Chair or Vice-Chair of the Trust Board, will be appointed as Chair of the Finance, People and Resources Committee and will lead on feedback on recommendations for consideration by the Trust Board.
- 2.4 The quorum shall be three members of the Committee, provided that a majority of members present and voting are Trustees
- 2.5 It is acknowledged that occasionally Committee members will have to send apologies for meetings. Two or more apologies from the same member in one academic year will lead to the Chair establishing the Committee member's commitment.
- 2.6 The Committee shall meet as often as is necessary to fulfil its responsibilities and at least once each term.

3.0 Clerking

- 3.1 The Governance Professional or their Deputy shall be the Clerk to the Committee.
- 3.2 The Clerk to the Committee shall circulate to members the agenda and papers at least 5 working days before each meeting.
- 3.3 A register of attendance shall be kept for each meeting of the Committee and be published annually.
- 3.4 The Clerk to the Committee shall circulate minutes of the meetings of the Committee to all Committee and Trust Board members within 14 days of the meeting.

4.0 Chairmanship

- 4.1 The Chair of the Committee will be appointed annually by the Trust Board and will normally be a Trustee to allow effective feedback to the Board. If the Chair is absent for a meeting the members will choose one of their number to act as Chair.

5.0 Scope

- 5.1 All matters within the scope of Finance (as set out in the Academy Trust Handbook), People Services, Health and Safety, Estates and other Resources as delegated by the Trust Board. This shall include any other matters which are outside of the remit of other committees which the Trust Board may ask the Finance, People and Resources Committee to consider and recommend appropriate action.
- 5.2 The key areas are:
- Financial management of the Trust
 - Budgets for each academy in the Trust
 - Management of Trust assets
 - Capital and building works
 - Service contracts and procurement of goods

- HR policies and statistics for the Trust and all academies
- Health and Safety
- Security arrangements including data protection
- Financial due diligence for potential schools joining the Trust

6.0 Reporting and Review

- 6.1 The Chair of the Committee shall be responsible for submitting to the next meeting of the Trust Board a summary of the Committee's deliberations, recommendations and decisions made.
- 6.2 The Committee shall conduct an annual review of its work and these Terms of Reference, and shall report the outcome and make recommendations to the Trust Board

7.0 Detailed Responsibilities of the Finance, People and Resources Committee (Schedule)

7.1 Funding

- To consider the indicative funding for the Trust, notified annually by the Department for Education (DfE) and to assess its implications for the relevant academy. This will be in consultation with the Chief Executive, Strategic Leadership Team ("SLT"), in advance of the financial year, drawing any matters of significance or concern to the attention of the Trust Board.
- To consider and recommend acceptance or non-acceptance of the Trust budgets each financial year.

7.2 Budgeting

- To review the Trust strategic plans, through the consideration of financial priorities and proposals, in consultation with the Chief Executive Officer, and SLT as appropriate and in consideration of the aims and objectives of the Trust.
- To review regularly the finances of the Trust, including the maintenance of adequate reserves and funding for projects prioritised by the Trust Board, and make recommendations to the Trust Board as appropriate.
- 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 academies' strategic plans.
- To liaise with and receive reports from other committees and make recommendations to those committees and the Trust Board about the financial aspects of matters being considered by them.
- To delegate the day to day management of the approved budgets to the Chief Executive, within agreed authorisation limits.
- To consider requests for supplementary expenditure and make appropriate recommendations to the Trust Board.
- To consider and act upon matters not covered by other sub-committees.

- To review financial policy including consideration of long term planning and resourcing in accordance with the Trust and each of the academies' development plans.

7.3 Expenditure

- To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust and the relevant academies, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Trust Board.
- To receive and review details of major contracts for goods and services and relevant SLAs, and make recommendations as appropriate.
- To review capital expenditure and ensure properly authorised and categorised.
- To review actions taken to ensure 'value for money' and benchmarking activities are being carried out.
- To consider levels of delegated authority, including virements, for the Chief Executive, SLT, individual academies and Headteachers, and make recommendations as appropriate.

7.4 Financial Procedures

- To monitor and review procedures for ensuring the effective implementation and operation of financial procedures and internal controls, on a regular basis, including the implementation of bank account arrangements and where appropriate make recommendations for improvement.
- To review and recommend for approval the financial statements which 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 Academy Trust Handbook).

7.5 Strategic

- To review and recommend to the Trust Board the viability of potential new members of the Trust, including all due diligence and financial and risk assessments.

7.6 Health & Safety

- To review the H&S audit schedule, receive H&S reports each term and advise the Trust Board as necessary.
- To monitor compliance with the Trusts Health & Safety Policy and statutory obligations under the Health and Safety at Work Act 1974.

7.7 Asset Management

- To receive reports from the Chief Executive / Head of Estates on the management of assets including premises and their security.
- To review the Capital Investment programme prepared by the Chief Executive, monitor implementation and make recommendations as appropriate.
- To confirm that an asset recording system is in place, including an inventory and fixed asset register for each academy.

7.8 Property Management

- To review and advise on the use of the Trust's premises and grounds outside academies sessions with regard to the lettings and charging policy.
- To ensure that the Trust premises are inspected on an annual basis and that a planned and costed statement of priorities is prepared and reviewed.
- To ensure the responsibilities of the Trust Board under the Environmental Protection Act are met.
- To advise the Trust Board on environmental issues in order to ensure the Trust is acting as a responsible institution in its duty to conserve energy, materials and with regard to the local community.

7.9 Human Resources

- To oversee the HR strategy developed by the Chief Executive / Director of HR People.
- To receive reports from the Chief Executive, Director of HR People, academy Headteachers as appropriate regarding staffing positions in the Trust and individual academies.
- To review and approve policies linked to the employment of staff and personnel management.
- To review regular KPI information produced by the Chief Executive / Director of HR People to review the current and proposed staffing position across the Trust.

7.10 General

- To review or investigate any other matters referred to the Committee by the Trust Board.
- To draw any significant recommendations and matters of concern to the attention of the Trust Board.

These Terms of Reference were discussed and initially approved by the Finance, People and Resources Committee on 23 November 2017 and reviewed annually thereafter.