

THE ILLUMINARE MULTI ACADEMY TRUST

TERMS OF REFERENCE: DIRECTORS' FINANCE, ESTATES AND STAFFING COMMITTEE

Purpose

To ensure the sound management of the Trust's finances, estates, staffing and resources, including proper planning, monitoring and audit responsibilities.

Frequency of Meetings

There should be a minimum of three meetings in each school year at which time the Income and Expenditure reports can be approved.

Membership and Quorum

Membership of the committee is agreed on an annual basis at the first meeting of the Trust Board of Directors in the autumn term.

The Chair of the Finance, Estates & Staffing Committee will be elected by the Finance, Estates & Staffing Committee on an annual basis at the first meeting in the autumn term. No Director employed by the Trust will act as Chair to the Finance, Estates & Staffing Committee. In the absence of the Chair, the Finance, Estates & Staffing Committee will elect a temporary replacement from among the members of the Finance, Estates & Staffing Committee who are present at the meeting.

The quorum is three Directors of the Finance, Estates & Staffing Committee.

As this committee incorporates the role of the Audit & Risk Committee, staff of the Trust may be members but should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.

The Accounting Officer and other relevant senior staff should routinely attend the committee in the capacity set out directly above.

Meetings

The Leadership & Governance Manager will circulate an agenda for each meeting (with supporting documents if available) not later than seven clear days before each Finance, Estates & Staffing Committee meeting.

Attendance at each Finance, Estates & Staffing Committee meeting, issues discussed and recommendations for decisions will be recorded. The minutes of meetings will be included on the agenda of the next meeting of the Board of Directors.

Terms of Reference

1. To establish and maintain a transparent system of prudent and effective internal controls.
2. To consider each Academy's indicative funding, notified annually by the Education Funding Agency (EFA), and to assess its implications for the Academy, in consultation with the Chief Executive Officer in advance of the financial year, drawing any matters of significance or concern to the attention of the Board of Directors.
3. To consider and recommend acceptance/non-acceptance of each Academy's budget as well as the shared central Academy Trust budget, prior to the start of each financial year, and in line with EFA deadlines.
4. To monitor the delivery of services in order to maximise value for money by ensuring services are delivered in the most economical, efficient and effective way within available resources.
5. To contribute to the formulation of the Academy Trust's strategic plan, through the consideration of financial priorities and proposals, in consultation with the Chief Executive Officer, and within the stated and agreed aims and objectives of the Academy Trust.
6. To 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.
7. To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Academy Trust, and within the financial regulations of the EFA, drawing any matters of concern to the attention of the Board of Directors.
8. To ensure the Academy Trust has adequate insurance cover to support its activities and to comply with statutory requirements including building and contents, business interruption, employers and public liability cover and for vehicles operated by the Academies within the Trust.
9. To determine the staffing complement for the Academy Trust in line with the Academy Trust's Strategic Plan. This includes overseeing any staffing reduction or appointment procedures as necessary including consultation with teacher associations and trade unions as appropriate.
10. To agree and oversee the application of the Academy Trust's pay policy.
11. To oversee premises and grounds matters across the Trust (unless delegated to a separate committee of the Local Governing Body).

Delegated Functions

- To recommend to the Board of Directors the first formal balanced budget plan each financial year including appropriate financial targets.
- To receive and monitor monthly expenditure reports (including cash flow).
- To ensure that grants are spent only for the purposes intended and in compliance with any requirements.
- To make recommendations relating to investments to the Board of Directors and ensure all transactions are reported promptly.
- To consider future pupil rolls and income levels.
- To establish a charging and remissions policy including lettings charges for other users of the Academy Trust's buildings and grounds.
- To manage tendering processes and the awarding of contracts in accordance with the limits agreed in the Finance Policy.
- To consider requests for disposal of obsolete stock in accordance with the limits agreed in the Finance Policy.
- To approve the write-off of debts in accordance with the limits agreed in the Finance Policy.
- To monitor expenditure of all voluntary funds kept on behalf of the Board of Directors.
- To consider secondment and early retirement requests (with the exception of the Chief Executive Officer).
- To regularly review the single central record.
- To attend training where appropriate.
- To consider work/life balance, working conditions and well-being, including the monitoring of absence levels.
- To receive reports and monitor status of any staffing issues.
- To annually review/realign the Individual School Range for each Academy in respect of leadership pay.
- To agree and review the objectives for the Chief Executive Officer.
- To agree and conduct procedures for capability, discipline, grievance, attendance, whistle blowing and staff welfare issues.

- To set the terms and conditions of service for staff, having regard to any TUPE implications.
- To annually review staff salaries and consider pay progression including movement through the Upper Pay Spine and applications for re-grading (the Chief Executive Officer should not advise on their own pay).
- To investigate irregularities (other than where the Chief Executive Officer is suspected), conduct personnel procedures regarding suspension/ending of staff contracts including dismissal procedures in line with agreed policies.
- To agree and implement the pay policy.
- To agree arrangements for the receipt and management of donations.
- To review / ratify / approve all policies relating to Finance, Personnel and Premises.
- Insuring land and building across the Trust.
- Maintenance and review of a fixed asset register.

Internal Assurance

- To advise the Trust on the appointment, reappointment, dismissal and remuneration of the internal assurance service.
- To agree and challenge the work programme of the internal assurance service.
- To consider the reports of the internal assurance service and, when appropriate, advise The Trust of material controls issues.
- To monitor the implementation of agreed recommendations relating to internal assurance reports.

External Audit and Financial Statements

- To advise The Trust on the appointment, reappointment, dismissal and remuneration of the external auditor.
- To consider the reports of the external auditors and internal assurance service and, when appropriate, advise The Trust, of material controls issues.
- To monitor the implementation of agreed recommendations relating to the external auditors management letter.
- To establish relevant performance measures and indicators, and to monitor the effectiveness of the external auditor.

- To review the annual financial statements in the presence of the external auditor, including the auditor's formal opinion, the governance statement, including consideration of the internal control systems' effectiveness, risk management statements and any relevant issue raised in the external audit management letter, including regularity audits.
- To recommend the annual financial statements to the Board of the Trust.

Risk Management and Internal Control

- To review the adequacy of The Trust Risk Management Policy and procedures and to regularly review the Risk Register.
- To monitor the implementation of Risk Management Action Plans.

Fraud Prevention and Detection

- To review The Trust's arrangements in respect of whistleblowing and anti-fraud and corruption and to make recommendations as necessary.
- To ensure that all allegations of fraud and irregularity are properly followed up and control weaknesses addressed, including being notified of all cases.

Overall

- To receive all internal and external reports including the annual report for The Trust and Accounting Officer, which should include the Committee's advice on the effectiveness of The Trust risk management, control and governance processes, and any significant matters arising from the work of the internal assurance service and the external auditor.

Disqualification

Any relevant person employed to work at the Academy Trust, other than as the Chief Executive Officer when the subject for consideration is the pay or performance review of any person employed to work at the Academy Trust.

Any person employed to work at the Academies in a capacity related to financial management.

The Terms of Reference will be reviewed annually by the Finance, Estates & Staffing Committee at the first meeting in the autumn term.