



Finance and Premises Committee

Terms of Reference

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Finance Committee

1. Constitution

- 1.1 The board of directors (the **Trustees**) of The Cornerstone Academy Trust hereby resolve to establish a committee of the Trustee Board to be known as the **Finance and Premises Committee** (the **Committee**).

2. Membership

- 2.1 The Committee shall have a minimum of three Committee members. The Committee members must be Trustees of the Trustee Board.
- 2.2 Details of who sits on the Finance and Premises Committee can be found on the Trustee Committee Structure chart located within the Trustees OneNote notebook.
- 2.3 The Chair (the **Chair**) of the Committee will be elected at the first Full Trustee Board meeting of the Academic year. The Committee will elect a temporary replacement from among the Trustees present at the meeting in the absence of the Chair.
- 2.4 The Committee members will be elected at the first Full Trustee Board meeting of the Academic year.
- 2.5 The term of office for each Committee member shall be one year.
- 2.6 The Chair shall ensure that a clerk is provided to take minutes at meetings of the Committee.
- 2.7 Any Trustee of the full board may attend meetings of the Committee as an observer (an **Observer**).
- 2.8 The Committee may invite attendance at meetings from persons who are not Trustees or Committee members to assist or advise on a particular matter or range of issues, this may include parents and members of academy staff. Such persons may speak with the permission of the Chair but shall not be entitled to vote.

3. Remit and responsibilities of the Committee

- 3.1 The Committee shall be responsible for the matters set out in the **Schedule** shown below.

4. Proceedings of Committee meetings

- 4.1 The Committee will meet as often as is necessary to fulfil its responsibilities and this will typically be on a monthly basis. Where this is not possible it should meet at least once every half term.

- 4.2 Any two Committee members can request that the Chair convene a meeting by giving no less than 14 days prior notice.
- 4.3 The quorum for the transaction of the business of the Committee will be three Committee members. No vote on any matter shall be taken at a meeting of the Committee unless three Committee members are present.
- 4.4 Every matter to be decided at a meeting of the Committee must be determined by a majority of the votes of the members present and voting on the matter.
- 4.5 Each member present shall be entitled to one vote.
- 4.6 Where there is an equal division of votes the Chair shall have a casting vote.
- 4.7 A register of attendance shall be kept for each Committee meeting and published annually.
- 4.8 Observers may speak with the permission of the Chair but may not vote.

5. **Authority**

- 5.1 The Committee is authorised by the Trustees to:
 - 5.1.1 carry on any activity authorised by these terms of reference; and
 - 5.1.2 seek any appropriate information that it requires from any person of the Trust and all persons shall be directed to cooperate with any request.

6. **Reporting**

- 6.1 Within 14 days of each meeting the Committee will wherever possible:
 - 6.1.1 produce draft minutes of its meetings which includes (i) decisions made, (ii) recommendations to the Trustee Board, (iii) items for the information of the Trustee Board and (iv) items for further discussion by the Trustee Board.
 - 6.1.2 Any matters discussed during the meetings which are sensitive in nature and relate to groups of or specific Trust employees will be minuted as 'Part B' and kept confidential (by way of password protecting the relevant files). These will only be available to members of the Finance and Premises Committee or broader Full Trustee Board and will only be shared outside of these groups with permission of the Chairs of each.
- 6.2 Draft minutes will be approved at the subsequent Committee meeting.
- 6.3 The Committee shall arrange for the production and delivery of other reports or updates as requested by the Trustee Board from time to time.

Schedule

Responsibilities of the Finance and Premises Committee

Funding

- 1 To consider the Academy Trust's indicative funding, notified annually by the Department for Education (DfE) and to assess its implications for the Academy. This will be 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 Trustee Board.
- 2 To consider and recommend acceptance or non-acceptance of the Academy Trust's budget each financial year.

Budgeting

- 1 To contribute to the formulation of the Academy Trust's strategic plans, through the consideration of financial priorities and proposals, in consultation with the CEO and Business Manager and with the stated and agreed aims and objectives of the Academy.
- 2 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 the Academy Trust's strategic plans.
- 3 To liaise with and receive reports from appropriate committees and make recommendations to those committees about the financial aspects of matters being considered by them.
- 4 To consider the spending plans of other committees and report back and advise the Trustee Board.
- 5 To delegate the day to day management of the approved budget to the CEO, within agreed authorisation limits.
- 6 To consider requests for supplementary expenditure and make appropriate recommendations to the Trustee Board.
- 7 To consider and act upon matters not covered by other sub-committees.
- 8 To review financial policy including consideration of long term planning and resourcing in accordance with the Academy development plan.

Expenditure

- 1 To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the Governing Body.

Financial Procedures

- 1 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.
- 2 To prepare the financial statement to form part of the annual report of the Trustee Board to stakeholders and for filing in accordance with requirements of the Companies Act, Charity Commission and Funding Agreement (including the Academies Financial Handbook).

Internal Audit

- 1 To review the Internal Audit programme and ensure that the Internal Audit function is adequately resourced and has appropriate standing within the Trust.
- 2 To review the reports and recommendations of the Internal Audit, together with the appropriateness of management's response.
- 3 To monitor the implementation of action agreed by management in response to reports from the external auditor and Internal Audit.

External Audit

- 1 To receive the external auditors' reports and recommend to the Trustee Board action as appropriate in response to External Audit findings.
- 2 To consider all relevant reports by the Internal Audit or the appointed external auditor, including reports by the external auditor on the Academy Trust's accounts, achievement of value for money and the response to any management letters.

Health & Safety

- 1 To receive each term the CEO's Health and Safety report and advise as necessary.
- 2 To monitor compliance with the Academy Trust's Health & Safety policy and its statutory obligations under the Health and Safety at Work Act 1974.

Asset Management

- 1 To receive reports from the CEO on the management of assets including premises and their security.
- 2 To confirm that an asset recording system is in place, including an inventory and fixed asset register.

Property Management

- 1 To determine the use of the Academy premises and grounds outside Academy sessions with regard to the lettings and charging policy.
- 2 To ensure that the Academy premises are inspected on an annual basis and that a planned and costed statement of priorities is prepared and reviewed.
- 3 To ensure the responsibilities of the Trustee Board under the Environmental Protection Acts are met.
- 4 To advise the Trustee Board on environmental issues to ensure the Academy is acting as a responsible institution in its duty to conserve energy, materials and with regard to the local community.

General

- 1 To review the Trust's policy and procedures for handling allegations from whistleblowers.
- 2 To review the Trust's policies and procedures for handling allegations of fraud, bribery and corruption.
- 3 To receive reports on the outcome of investigations of suspected or alleged impropriety.
- 4 To review the adequacy of policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements.
- 5 To ensure that any significant losses are investigated and reported to the DfE where required.
- 6 To review the Trust's risk management policy, strategy, processes and procedures for the identification, assessment, evaluation, management and reporting of risks.
- 7 To review the adequacy and robustness of risk registers.
- 8 To keep under review the adequacy and effectiveness of the Trust's governance, risk management and internal control arrangements, as well as its arrangements for securing value for money, through reports and assurances received from management, the Internal Audit, the external auditor and any other relevant independent assurances or reports (eg from the National Audit Office).
- 9 Reviewing or investigating any other matters referred to the Committee by the Trustee Board.
- 10 Drawing any significant recommendations and matters of concern to the attention of the Trustee Board.