

Community Schools Trust

Finance and Personnel Committee

TERMS OF REFERENCE

The Finance and Personnel Committee is a committee of the Board. The composition of the committee is determined by the Board of Directors, subject to the Articles of Association.

1. Membership

- 1.1. **Composition of the committee** – The number of places shall be a minimum of 3 and no more than 4. Members shall be appointed by the Trust Board. The Accounting Officer and Director of Finance and Operations will normally attend meetings of the committee. The Internal Auditor or representative of the external auditor will also attend when appropriate.
- 1.2. **Term of Office** – the Term of Office for all members of the committee shall be 1 year.
- 1.3. **Chair and Vice-Chair** – the committee shall appoint a Chair and a Vice Chair annually at the first meeting of the academic year.
- 1.4. **Removal and Review** – Committee members may be removed for non-attendance after absence from two consecutive meetings or may be removed by the body that appointed them.

2. Meetings

Meetings shall be held at least three times per year and in line with the Board's meetings cycle. The Chair shall have the power to call a special meeting of the committee at any time or where requested to do so by the Accounting Officer. All meetings shall be convened and clerked by the clerking service appointed by the Trust Board

3. Quorum

The quorum for meetings shall be any three members, providing the trustees are in the majority.

4. Voting

No vote shall be taken unless the majority of members present are trustees. Only members of the committee may vote. The Committee Chair will have a casting vote.

5. Purpose

The purpose of the Finance and Personnel Committee is to assist the Trust Board in fulfilling its obligations with regard to financial and human resource management and oversight.

6. Key Powers, Duties and Responsibilities

The Finance and Personnel Committee is accountable for the powers, duties and responsibilities delegated to them by the Trust Board, details of which set out within the Scheme of Delegation.

The committee is responsible for:

a) Strategy and Planning

- To scrutinise and challenge on business aspects of the Trust's strategic , growth and annual plans and budgets with advice to the Trust

b) Performance Management

- Monitor business performance against plans and budgets.
- Monitoring of complaints and advice to the Trust Board in line with the complaints policy.

c) Finance, Investments and Asset Management

- To monitor compliance with the Academies Financial Handbook and the Trust Board's financial regulations and standing orders.
- To review, recommend to the Trust Board and monitor the annual Trust budget, incorporating academy budgets.
- To monitor any variances and report these to the Board.
- To monitor that the Trust achieves value for money and that income is used for the purposes it was provided for.
- Detailed scrutiny and advice to the Board regarding financial regulations, standing orders, limits of financial authority and financial decisions reserved to the Trust Board.
- Review of the Trust's reserves Policy and advice to the Trust Board.
- Approval of the format of management accounts.
- Detailed scrutiny of the Trust's asset management strategy and performance and advice to the Trust Board
- To advise the Board on the principles for community use of premises
- Detailed scrutiny of the Trust's information systems strategy, policy and performance and advice to the Trust Board
- Detailed scrutiny of the Trust's Fundraising strategy, policy and performance and advice to the Trust Board.
- Scrutiny, monitoring and recommendations to the Board on actions required with regard to Health & Safety, including policy.

d) Audit

- To make recommendations to the Trust Board regarding the internal audit function.
- To monitor and receive internal audit reports.
- To make recommendation to the Trust Board on the appointment of external auditors, their scale of fees and their annual scope of work
- To evaluate performance and make recommendations to the board with regard to the retention or replacement of internal and external auditors.
- To plan and oversee the statutory audit of Trust and academy accounts.

- To review and approve the annual accounts return to the EFA and ensure that accounts are filed with Companies House.
- To scrutinise the annual audited accounts and management letter and make recommendations to the Trust Board.
- To review the post-audit management letter and management response and to monitor the action plan for any weaknesses identified.

e) Internal Control and Risk Management

- Detailed scrutiny and advice to the Trust Board regarding the Trust's systems of internal control and risk management
- Termly review of the full risk register and agreement of the mitigations to manage the risks identified and to provide assurance to external auditors.
- Monitoring and investigation of any matters of concern within its Terms of Reference including seeking relevant professional advice with reporting/advice to the Trust Board.
- Escalating to the Trust Board any issues or concerns which might reasonably be expected to expose the Trust to significant reputational, business, financial, legal or other risk.
- Recommendation of insurance advisors and level of cover & oversight & advice to the Trust Board on legal/insurance issues.
- To ensure that conflict of interest and connected parties guidelines are strictly complied with.

f) HR

- To scrutinise school and trust staffing structures and to make recommendations to the Trust Board
- To recommend to the Trust Board, and subsequently review, HR strategies and policies, including reward and remuneration and terms & conditions of employment

g) Advisers

- To make recommendations to the Trust Board regarding the Trust's bankers
- To make recommendations to the Trust Board regarding the Trust's main legal advisers, investment advisers and the terms of their appointment

h) Policies

- To respond to Trust Board consultation on policies.
- To ensure relevant Trust policies and regulations are reviewed and implemented in accordance with the scheme of delegation and policy review schedule.

7. Reporting

The Finance and Personnel Committee shall report directly to the Trust Board, which shall receive minutes of each committee meeting.

The Finance and Personnel Committee is responsible for reviewing these terms of reference

The Trust Board is responsible for approving these terms of reference