



# Agora Learning Partnership

## Scheme of Delegation

December 2023

### Appendix A

## Terms of Reference for the Finance, Audit, Risk and Estates Committee



## Contents

1. Membership
2. Accountability and purpose
3. Responsibilities of the Committee
4. Meetings and quorum
5. Reporting procedures

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Next review date: Summer 2024

Responsibility for review: Board of Trustees



## 1 1 MEMBERSHIP

### 1.1 The Committee shall:

- a. consist of at least three members and of whom a majority will be Trustees. In addition to the external co-opted members may be appointed
- b. have an appropriate mix of skills and experience to allow it to discharge its duties effectively.
- c. at least one member of the committee should have recent or relevant accounting or audit assurance experience.

### 1.2 Members of the Finance, Audit Risk and Estates Committee shall be appointed by the Board of Trustees and membership reviewed annually.

### 1.3 The Chair of the Finance, Audit, Risk and Estates Committee shall be appointed/reappointed annually by the Board of Trustees. Any co-opted member is ineligible for appointment as Chair.

### 1.4 A co-opted external member may be appointed for a term agreed at the time of appointment.

### 1.5 Employees of the trust should not be committee members, but the accounting officer and chief financial officer should attend to provide information and participate in discussions.

### 1.6 The Chair of Trustees should not be Chair of the Audit Committee.

## 2 ACCOUNTABILITY AND PURPOSE

### 2.1 The Finance, Audit, Risk and Estates Committee is responsible to the Board of Trustees and must not adopt an executive role. The main purpose of the Committee is to advise the Board of Trustees on the Trust's assurance framework and the provision of the opinion in the annual accounts.

### 2.2 The Committee will deal with such other financial or audit matters as may from time to time be referred to the Committee for consideration or approval.

### 2.3 The Finance, Audit, Risk and Estates Committee has the authority to investigate any activity within its terms of reference.

### 2.4 The Finance, Audit, Risk and Estates Committee has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit and all officers of the Trust shall be directed to co-operate with any request made.

- 2.5 The Committee will also review its own effectiveness and these terms of reference on an annual basis and report the outcome and make recommendations to the Trust Board.

### 3. RESPONSIBILITIES OF THE COMMITTEE

#### 3.1 *Finance*

- 3.1.1 To ensure requirements of the Articles of Association, Academy Trust Handbook (ATH) (previously known as the Academies Financial Handbook) and Funding Agreement are met, ensuring rigor and scrutiny in budget management.
- 3.1.2 To ensure a long-term strategy is in place to ensure the financial sustainability of the Trust and resources are used efficiently to maximize outcomes for pupils.
- 3.1.3 To recommend to the Board of Trustees appropriate financial and procurement policies to be adopted by the Trust and each academy.
- 3.1.4 To assess the overall Trust finances including those for individual academies and recommend to the full board in accordance with published timetable/ drawing any matters of significance or concern to the attention of the Trust Board.
- 3.1.5 To recommend to the Board a balanced budget and any significant changes within the financial year (ATH).
- 3.1.6 To ensure the Executive provides monthly management accounts to the Chair of the Board and share with the other Trustees at each Board meeting (ATH).
- 3.1.7 To recommend a scheme of delegation of financial powers that maintains robust internal controls (ATH).
- 3.1.8 To ensure that there are processes in place to ensure that forms are submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims (for both revenue and capital grants) completed by the trust and by constituent academies, is accurate and in compliance with funding criteria (ATH).
- 3.1.9 To recommend to the Board for approval and keep under review the Trust's investment and reserves policies and to ensure appropriate professional advice is sourced as necessary.

## 3.2 **Audit**

- 3.2.1 To consider and advise the Board of Trustees on the adequacy and effectiveness of the Trust's audit arrangements, framework of governance, risk management and control and processes for the effective and efficient use of resources, the solvency of the Trust and the safeguarding of its assets.
- 3.2.2 To advise the Board of Trustees on the appointment, reappointment, dismissal and remuneration of the external auditors and internal auditors and establish that all such assurance providers adhere to relevant professional standards.
- 3.2.3 To direct the Trust's program of internal scrutiny and reporting to the Board on the adequacy of the trust's financial and other controls and management of risks:
- agree a program of work annually to deliver internal scrutiny that provides coverage across the year.
  - review the risk register to inform the program of work, ensuring checks are modified as appropriate each year.
  - agree who will perform the work.
  - consider reports at each meeting from those carrying out the program of work.
  - consider progress in addressing recommendations.
  - consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations have access to the external auditor as well as those carrying out internal scrutiny and consider their quality.
  - This oversight extends to the financial and other controls and risks at the Trust's academies.
- 3.2.4 The outcome of the work should inform the accounting officer's statement of regularity that accompanies the Trust's annual accounts and, so far as is possible, provide assurance to external auditors.
- 3.2.5 To monitor, within an agreed timescale, the implementation of agreed audit recommendations.
- 3.2.6 To recommend the Trust's annual report and financial statements and external auditor's management letter to the Board of Trustees for approval and ensure filing is carried out in accordance with requirements of the Companies Act, Charity Commission and Funding agreement (including the Academy Trust Handbook).

### **3.3**    *Risk Management*

- 3.3.1 To ensure investment risk is properly managed and robust processes are in place to manage the Trust's cash position.
- 3.3.2 To consider the Trust's risk profile relative to current and future Trust strategy and identify any such trends, concentrations or exposures and any requirement for policy change.
- 3.3.3 To oversee the Trust's policies on fraud and irregularity and whistleblowing, and ensure the proper, proportionate and independent investigation of all allegations and instances of fraud, theft and/or irregularity; that investigation outcomes are reported to the Finance, Audit Risk and Estates Committee; that the external auditors (and internal auditors where appointed) have been informed, and that appropriate follow-up action has been planned/ actioned, and that all suspected cases of fraud, theft and/or irregularity are notified to the Education Funding Agency in accordance with the Academy Trust Handbook.
- 3.3.4 To review the risk register presented by the executive and the updates on progress towards mitigation of each individual risk. To recommend the risk register to the Board at the next full Board meeting with any request that specific risks be debated before mitigating actions are approved.

### **3.4**    *Estates*

- 3.4.1 To ensure there is a robust framework for Trust compliance with all necessary legal requirements relating to the occupation of the estate and ensure that all users of the building are provided with a safe environment, including:
  - health and safety law, environmental protection and other relevant laws and regulations including accessibility.
  - planned preventative maintenance.
  - statutory inspecting and testing.
  - adequate insurance arrangements.
- 3.4.2 To ensure that there is a well-planned long-term strategy for the development of grounds and buildings.
- 3.4.3 To ensure that there is a program to maintain the facilities of the existing estate and there are the requisite skills available.
- 3.4.4 To recommend a letting and charging policy to the Board and monitor the application of the policy in the Trust's academies.
- 3.4.5 To recommend to the Board any decisions concerning the disposal or acquisition of land to be used by an academy.



- 3.4.6 To recommend to the Board any changes to the capacity of any academy in respect of pre-statutory and statutory age pupils, having consulted with the AGB.

#### **4. MEETINGS AND QUORUM**

- 4.1 The Committee shall meet at least three times each year to consider matters arising from its terms of reference, or matters placed on the agenda at the request of the Board of Trustees or of the Chair or any member of the Committee.
- 4.2 In the absence of the Chair the Committee will elect a temporary replacement from among the Trustees present at the Committee meeting.
- 4.3 The Chief Executive Officer/Accounting Officer and Chief Financial Officer shall attend by invitation.
- 4.4 The Committee may invite attendance at meetings from people who are not Directors or Committee members to assist or advise on a particular matter or range of issues. Such persons may speak with the permission of the Chair but shall not be entitled to vote.
- 4.5 The external and internal auditors (where appointed) shall be invited to attend meetings as appropriate and be given the opportunity to raise any issues they wish to discuss in the absence of Management. The Committee will have at least one annual meeting or part of one meeting, with each of the external auditors and the head of internal audit without the senior executives being present, unless the Committee agrees not to do so.
- 4.6 The external or internal auditors may request a meeting of the Committee, and meet with the Committee without management being present, if they consider it necessary.
- 4.7 The quorum for meetings shall be 50% of members of the Committee.
- 4.8 A register of attendance shall be kept for each Committee meeting and published annually.
- 4.9 All meetings shall be conducted to an agenda approved by the Chair.
- 4.10 The agenda of each meeting shall be prepared by the Clerk in consultation with the Chair of the Committee and circulated together with all relevant agenda papers to all members of the Committee normally at least seven days before each meeting.
- 4.11 Trustees should ensure that any pecuniary or conflicts of interest are declared at each meeting by everyone present.

- 4.12 Where matters of a sensitive or confidential nature are to be discussed at a meeting the Clerk, in consultation with the Chair, shall reserve these matters to a confidential agenda. Details and papers of such agenda shall not be circulated unless the circumstances which caused them to be considered sensitive or confidential no longer pertain.

## 5. REPORTING PROCEDURES

- 5.1 The clerk to the Committee will minute the proceedings and resolutions of the Committee and ascertain at the beginning of each meeting the existence of any conflicts of interest and minute them accordingly.
- 5.2 The minutes of each meeting of the Finance, Audit, Risk and Estates Committee shall be presented to the next meeting of the **Board of Trustees** and circulated to Committee members **within 30 days of the meeting**.