



HAILEY HALL SCHOOL

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Finance and Premises Committee Terms of Reference 2023-24

Composition

Five named members of the Board of Trustees, plus Business Manager & Finance Manager. Other Trustees may attend meetings of the committee as non-voting members if they wish. Finance Dept representatives, External Consultants, Advisors, Auditors etc will be called as appropriate.

Quorum

Three (unless otherwise agreed)

Clerking

The Board of Trustees must appoint a Clerk to the Committee. The clerk must not be the Headteacher CEO, CFO, Accounting Officer or a member of the Finance Team.

Purpose of the Committee:

The Finance & Premises committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- i) establish that the school maintains sound systems, practices and procedures to provide effective internal control, and comply with the requirements of the Funding Agreement and the Academies Financial Handbook.
- ii) To provide guidance and assistance to the Headteacher and Board of Trustees on financial matters.
- iii) To ensure the school maintains a strategic financial view of income, staffing, other expenditure, capital projects and cyclical maintenance, covering the short (current year) and longer term (2-3 years).
- iv) In consultation with the Headteacher, to consider the school's income and to draft the first formal budget in the financial year for the Board of Trustees to consider and endorse.
- v) To monitor, at least twice each term, spending against budget and to ensure that expenditure remains within the prescribed full year limits.

- vi) To monitor expenditure of all voluntary funds held by the School.
- vii) To ensure the Annual Report and Accounts are produced in accordance with the Academies Financial Handbook, and recommend their endorsement by BOT and Members.
- viii) To maintain oversight of activities and charges from the school's external accountants / auditors.
- ix) To approve improvement plans and actions relating to the finance and premises area.
- x) To ensure an effective approach is in place for the identification and management of key risks, including contingency and business continuity planning.
- xi) To prepare an annual report for submission to the Board of Trustees on the work of the committee including opinions on the effectiveness of:
 - o the internal control system, including use of the 'Financial Management and Governance Self-assessment'; and
 - o risk management.
- xii) To review relevant policies delegated to it by the Board of Trustees, and to report recommendations for changes, if any, at the next full Board of Trustees meeting

Terms of Reference:

Finance:

To advise the Board of Trustees in relation to the requirements for financial regulations within the school.

To ensure the Register of Business Interests is kept up to date with notification of changes and through an annual review.

To contribute to the annual review of the School Development/Improvement Plan and ensure that identified financial priorities are reflected in the annual budget plans and the longer-term financial development plans for the school.

To prepare and discuss the Budget Forecast Return (Outturn) before its submission to the Education and Skills Funding Agency (EFSA).

To prepare, in the context of the overall School Development/Improvement Plan and the Medium Term Financial Plan for the school, the 3-year budget plan (Budget Forecast Return) for presentation and approval at a meeting of the Board of Trustees before its submission to the ESFA.

To be responsible for the forward planning of future budgets, within the constraints imposed by central government, and to prepare rolling forecasts of the future financial needs of the school.

To provide advice and make recommendations to the Board of Trustees in relation to policy matters relating to budgetary control and the implementation and monitoring of the agreed budget. [The detailed arrangements for the control, implementation and monitoring of the agreed budget shall be delegated to the Headteacher.]

To receive regular financial reports covering income and expenditure for the school showing a comparison of these against budget estimates and take remedial action where necessary. Such action to be reported to the Board of Trustees and, where necessary, raised as a matter of report with

appropriate Committees.

To monitor and keep under regular review the school's actual expenditure and liaise as necessary with other Committees where remedial action may be required.

To ensure the Annual Report and Accounts are produced in accordance with the Academies Financial Handbook, and recommend their endorsement by BOT and Members.

To monitor the use of all specific funds available to the school to ensure that they are deployed for the purposes for which they are allocated.

To keep under review the staffing establishment of the school and to recommend to the Board of Trustees and to the HR Committee the financial limits for salaries and wages within the overall school budget.

To keep under review and revise/update as appropriate the Financial Regulations, Scheme of Delegation and Financial Risk Assessment for the school.

To arrange for decisions on the purchase of single items of expenditure on goods/services and virements to be made within agreed budget heads and contingency resources in accordance with the provisions of the Financial Regulations and Scheme of Delegation for the school and to make recommendations to the Board of Trustees and its Committees as to expenditure limits in relation to their respective areas of responsibility.

To take decisions on virement between staffing and non-staffing costs and contingency resources as detailed in the Scheme of Delegation.

To make decisions as to spending within the delegated powers available to the Committee and to advise and/or make recommendations to the Board of Trustees on the appropriateness or otherwise of spending requests outside the delegated powers of the Committee.

To approve charges for the letting of the school premises and facilities, including the school grounds, and approve applications for the hire of the premises.

To monitor the management of the school private fund separately and ensure that the accounts are properly audited each year with the academy accounts.

To review financial policy/procedure statements on a regular basis, including the short term and longer term planning and resourcing strategies within the school, making recommendations to the Board of Trustees where required.

To make recommendations to the Board of Trustees in relations to the provision of the Charging and Remissions Policy for educational trips/visits organised by the school.

To consider, where appropriate, the use of contract or in-house services within the school and to oversee the setting up of such contracts as determined by the Board of Trustees.

To refer all issues of principle, and any serious problems which may arise during the course of the year, to the Board of Trustees with appropriate recommendations as to the way forward.

To determine the procedure and recommend the appointment of Auditors for the delegated budget and the school private fund to the Board of Trustees.

To establish and keep under review a Building Development Plan.

To establish and keep under review an Accessibility Plan.

To monitor and review all aspects of maintenance and improvement or repair to the buildings, grounds and plant.

To advise the Board of Trustees on priorities, including Health and Safety, for the maintenance and development of the school's premises.

To ensure that the character of the building is retained.

To appoint architects, builders, ground maintenance teams, surveyors etc according to established procedures laid down by school Trustees and monitor all aspects of their work.

To arrange professional surveys and emergency work as necessary:

- The Headteacher is authorised to commit expenditure without prior approval of the committee in any emergency where delay would result in further damage or present a risk to the health and safety of pupils or staff. In this event the headteacher would normally be expected to consult the committee chair at the earliest opportunity.

In consultation with the headteacher, to oversee premises-related funding bids.

To prepare and review an Emergency Response Plan in line with regulations.

To create a project committee where necessary to oversee any major developments.

To review, adopt and monitor the Health and Safety Policy.

To ensure that the Board of Trustees responsibilities regarding litter, refuse and dog excrement are discharged according to Section 89 of the Environmental Protection Act 1990, so far as is possible.

Audit

To consider the appointment of the external auditor and assess independence of the external auditor, ensuring that key audit personnel are rotated at appropriate intervals.

To recommend the audit fees to the board and pre-approve any fees in excess of £10,000 in respect of non-audit services provided by the external auditor and to ensure that the provision of non-audit services does not impair the external auditors' independence or objectivity.

To consider all aspects of the external audit, including appointment and remuneration of the external auditor, the nature and scope of the statutory audit, the recommendation of audited financial statements to the board, and the discussion of issues raised in the external auditor's management letter.

To ensure that there are audit and risk controls as follows:

- review the external auditor's plan each year
- review the annual report and accounts
- review the auditor's findings and actions taken by the trust's managers in response to those findings
- assess the effectiveness and resources of the external auditor to provide a basis for decisions by the trust's members about the auditor's reappointment or dismissal or retendering. Considerations may include:

- the auditor's sector expertise
- their understanding of the trust and its activities
- whether the audit process allows issues to be raised on a timely basis at the appropriate level
- the quality of auditor comments and recommendations in relation to key areas
- the personal authority, knowledge and integrity of the audit partners and their staff to interact effectively with, and robustly challenge, the trust's managers
- the auditor's use of technology
- produce an annual report of the committee's conclusion to advise the board of trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.

To ensure that the internal audit report is submitted to ESFA by the Trust.

To submit an annual summary report to ESFA, at the same time as the annual accounts, setting out the key areas reviewed; key findings; recommendations and conclusions.

To ensure the annual financial statements are true and fair and conform to accounting standards, accounting policies are appropriate and applied consistently

To ensure that the body's internal audit service meets, or exceeds, the standards specified in the Academies Financial Handbook, complies in all other respects with these guidelines and meets agreed levels of service.

To review the reports and recommendations of the internal audit, together with the appropriateness of management's response.

Meetings

Committee meetings will be held on an as required basis but at least once a term.

A clerk will make a record of all proceedings at each meeting. Minutes will be circulated to members within agreed timescales.

The Committee will liaise with such other committees and invite members of the other committees to attend its meetings as should be deemed appropriate.

Any matters which may be in conflict with the work of another committee must be referred to the Board of Trustees.

Authority

The Committee is authorised by the Board of Trustees:

To investigate any activity within its terms of reference.

To seek any information from any employee, with all employees directed to cooperate with any request made by the Committee.

To obtain any outside legal or independent professional advice where it deems it necessary.