

DAVENANT FOUNDATION SCHOOL
FINANCE COMMITTEE STRUCTURE and TERMS OF REFERENCE

1 Membership

- 1.1 Members of the Committee shall be appointed annually at the first meeting of the Governing Body in the Autumn Term and should comprise:-
- (a) the Chair of the Committee appointed by the Governors
 - (b) at least five other Governors such that if possible the Curriculum, Estate Management committees are represented
 - (c) the Chair of Governors and the Headteacher shall be members of the Committee but the Headteacher may appoint a member of the senior management team to deputise for him/her on a temporary basis.
- 1.2 The Committee may co-opt up to two non-Governor members who will bring particular expertise or experience to the work of the Committee.
- 1.3 A person shall be appointed to service the Committee but shall not be entitled to vote.
- 1.4 In the absence of the Chair of the Committee those present shall elect a Chair for the meeting.
- 1.5 A student representative shall be entitled to attend meetings but shall not be entitled to vote.

2 Quorum

A quorum shall consist of not less than three governors.

3 Remit

- 3.1 The Governors Finance Committee is responsible to the Governing Body through the Standing Committee.
- 3.2 The Committee shall be empowered to make decisions which will enable compliance with Governors' approved budgets and policies, legislation and regulation. The Committee shall have no power to pass resolutions to commit the Governing Body unless they are specifically empowered by resolution of the full Governing Body.

3.3 Financial Matters

Specifically the Committee shall be responsible for:-

- (a) Determining the school's financial priorities through the School Development Plan (SDP) and the Asset Management Plan (AMP) and reviewing the annual School Budget before its submission to the Governing Body.
- (b) Reviewing and monitoring of budget projections/medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable.
- (c) Making decisions on requests from other committees that will have an impact on the school's financial position and considering the financial implications of any proposals to be put before the Governing Body.
- (d) Ensuring that funding from the Education and Skills Funding Agency and other sources is used only in accordance with any conditions attached.
- (e) Ensuring that all purchases follow the guidelines of the governors' best value statement.
- (f) Receiving regular reports of expenditure and income against Budget for the Academy and requesting appropriate action.

- (g) Reviewing the Headteacher's annual budget before submission to the Governing Body.
- (h) Agreeing and determining appropriate charges for lettings of the premises, in line with the school's lettings policy and reviewing the general trading activity of the School.
- (i) Reviewing the insurance arrangements for the School.
- (j) Reviewing and monitoring fundraising and sponsorship initiatives for the School.
- (k) Receiving the reports of the Accounting Officer.
- (l) Ensuring the school adheres to the financial policies and procedures as laid out within the Department for Education's Academies Trust Handbook and 'Dear Accounting Officer' letters.
- (m) Reviewing annually the school's Financial Regulations and Scheme of Delegation.
- (n) Reviewing appropriate financial benchmarking data, in order to compare the schools financial performance with other similar schools.
- (o) Monitoring and reviewing the Governors' Policies on
 - School Charges
 - Anti-Fraud
 - and other financial policies adopted by the Governing Body.
- (p) Reporting the financial position of the academy to each meeting of the Governing Body.

3.4 **Audit Matters**

To be considered by a subcommittee of finance (Headteacher in attendance as adviser not member)

The specific duties shall be to:-

- (a) consider all relevant reports by the appointed external auditor, including reports on the academy's accounts, achievement of value for money and the response to any management letters;
- (b) direct the academy's programme of internal scrutiny and agree who will perform it, ensuring it meets the standards specified in the Academy Trust Handbook and provides coverage across the year;
- (c) review the risk register to inform the internal scrutiny programme of work, ensuring checks are modified as appropriate each year
- (d) consider internal scrutiny reports and consider progress in addressing recommendations
- (e) consider outputs from other assurance activities by third parties including ESFA financial management and governance reviews, funding audits and investigations
- (f) exercise oversight to ensure information 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 is accurate and in compliance with funding criteria
- (g) report to the Governing Body on the adequacy of the trust's financial and other controls and management of risks.
- (h) 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
- (i) produce an annual report of the committee's conclusions to advise the board of trustees and members, including recommendations on the reappointment or dismissal or retendering of the external auditor, and their remuneration.

4 **Proceedings**

- 4.1 The Committee shall meet at least once per term and at such other times as may be necessary.
- 4.2 The Committee shall organise its proceedings in accordance with the Academy Trust's Memorandum and Articles of Association, the Funding Agreement with the Secretary of State and the Academies Trust Handbook.
- 4.3 The Committee shall make minutes of their meetings and signed minutes it shall be kept.
- 4.4 All minutes of the Committee shall be submitted to the Standing Committee who will be responsible for reporting on the issues discussed and decisions reached by the Committee and matters requiring formal resolution of the Governing Body.
- 4.5 Agendas and relevant papers for all meetings of the Committee should be sent so as to arrive seven days prior to the meeting. Minutes of Committee meetings should be circulated to members not more than 14 days after the meeting.
- 4.6 Copies of Committee agendas and minutes, except confidential items, shall be made available at the School and open to anyone for inspection persons to consult. The Chair of the Committee shall make a private minute of confidential matters and submit a copy to the Chair of Governors.