

Northampton Primary Academy Trust

Business, Finance, Audit and Risk Committee

Terms of Reference 2023-24



Overview

- The committee is responsible for the strategy, planning and monitoring of all Business, Finance, Audit and Risk matters across the Trust.

Membership

- The committee members shall consist of three Trustees and up to two co-opted members from within the Trust. All of whom shall have voting rights. The meeting will also be attended by the Chief Operations Officer and Chief Financial Officer.
- The CEO shall be a member of the committee but will not participate as a member in discussions about audit.
- The quorum shall be three members, two of whom must be Trustees (not including the CEO). The meeting cannot take place unless quorum is reached.
- The meeting will be chaired by the Trustee elected by the Board of Trustees. The Chair of the committee must not be the Chair of Trustees.

Meetings

- The committee shall meet at least three times a year, more as required. Meetings should be planned to happen at least two weeks in advance of the meeting of the Board of Trustees if possible.
- Minutes of committee meetings will be agreed by the committee members prior to circulation by the Governance Professional to the Board of Trustees.

Committee Responsibilities

GENERAL

1. Monitor all related policies as listed in the master policies schedule; formally review policies and make comments to the NPAT Board of Trustees on other policies allocated to the committee
2. Receive reports from internal senior officers as appropriate, NPAT's auditors and accountants
3. Respond to consultations on Business, Finance, Audit and Risk matters required by statutory bodies
4. Formally report in writing to the Board after each meeting
5. Provide the Board with an annual report, timed to support the finalisation of the accounts and the Governance Statement, summarising its conclusion from the work it has done during the year

BUSINESS/OPERATIONS

1. Ensure efficient and effective use of resources
2. Approve the procurement of goods and services centrally on behalf of the schools within the Trust in line with the scheme of financial delegation
3. Monitor the use of Trust assets
4. Monitor the maintenance and development of the premises owned across the Trust
5. Monitor contract renewals
6. Monitor Health and Safety within the Trust and receive monitoring reports from the appointed Health and Safety advisors
7. Monitor staff performance management and approve procedures for staff performance management across the Trust

FINANCE

1. Monitor income and expenditure for the Trust and take or direct such action as is deemed appropriate
2. Monitor all grant funding income and expenditure within the Trust and ensure statutory information is reported as required
3. On an annual basis make a recommendation to the Board of Trustees regarding the Trust budget
4. On an annual basis make a recommendation to the Board of Trustees regarding the statutory accounts and audit findings.
5. Approve the use of reserves held by the Trust
6. Monitor activities run by the schools in order to generate additional income such as extended schools' provision and grant funding generated by bid writing

AUDIT

1. Direct the Trust's approach to internal scrutiny
2. Oversee and approve the Trust's programme of internal scrutiny
3. Ensure that risks are being addressed appropriately through internal scrutiny
4. Report to the board on the adequacy of the Trust's internal control framework, including financial and non-financial controls and the management of risks
5. Recommend the appointment or re-appointment of auditors to the board on an annual basis for both account and internal scrutiny audits
6. Review findings of external audits, including the management letter, and internal scrutiny reports ensuring any issues have subsequently been resolved
7. Review the Trust's procedures for detecting fraud and whistleblowing to ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters

RISK

1. Monitor and report on the strategic processes for risk management
2. Provide assurances relating to the management of risk and corporate governance requirements for the organisation
3. Monitor the Trust Risk Register and take or direct such action as is deemed appropriate

As and when appropriate the committee will be provided with:

1. Proposals for the terms of reference of internal audit/ the internal audit charter
2. The internal audit strategy
3. The Head of Internal Audit's annual report
4. Quality assurance reports on the internal audit function
5. The draft governance statement
6. A report on any changes to accounting policies
7. External audit's management letter
8. A report on any proposals to tender for audit functions
9. The Trust risk management strategy.

Agenda Items

	Regular items	As required
Ongoing	<ul style="list-style-type: none">• Declaration of Interests• Review risk in line with committee responsibilities• Scrutinise income and expenditure across the Trust• HR matters including staff performance management, pay awards, attendance management issues, staff grievances and appeals• Monitor Health and Safety across the Trust• Procurement and contracts• Premises and PFI	

	Termly Items
Autumn	<ul style="list-style-type: none"> • Identify training needs • Confirm receipt of the Academies Financial Handbook, Accounts Direction and note changes to the previous year's editions • Receive draft year-end accounts and draft audit findings • Scrutinise statutory accounts and audit findings and make recommendation to the Board of Trustees • Ensure audit findings are actioned • Budget action plans • Performance management overviews (CEO, Headteachers and teaching staff) • Summary of health and safety audits • Monitor PE & Sports Funding spending and ensure statutory information is on school websites • Consider external/internal governance review.
Spring	<ul style="list-style-type: none"> • Receive health and safety audit reports. Ensure audit actions are actioned. • Ensure all audit actions have been completed • Review and action the Risk Management Strategy • Review the Estates Strategy • RF2 reviews (budget reforecast) • 2024/25 budget process (including central and leadership structures) • Review the staff recruitment process for the Trust • Monitor Pupil Premium spending and ensure that statutory information is available on school websites • Receive overview of support staff performance management
Summer	<ul style="list-style-type: none"> • Summary of health and safety audit review • Scrutinise the proposed budget for the coming year and recommend to the Board of Directors for their approval • Review the internal audit findings and respond to identified risk • Approve the external audit plan • Receive staff wellbeing survey results

Approved by Trust Board on: 18 July 2023