

TERMS OF REFERENCE

Finance, Audit and Risk Committee

1. PURPOSE

- 1.1. To ensure the DoWMAT's financial resources and financial strategy meet the needs of the Trust, both current and future, and are managed effectively.
- 1.2. To ensure that all aspects of statutory compliance are met as regards premises and the school estate is managed effectively.
- 1.3. To provide assurance to the DoWMAT Board of Directors on the adequacy and effectiveness of DoWMAT's internal controls, risk management, published financial reports and external audit.

2. MEMBERSHIP

- 2.1. The Finance and Audit Committee shall consist of not less than 3 Directors. The CEO and the Head of Finance will be in attendance.
- 2.2. The Committee Chair shall be appointed by the Board of Trustees.
- 2.3. The Committee Chair will ensure there will be an induction programme for new Committee members and that training takes place on an ongoing and timely basis for all members.
- 2.4. Other members of the DoWMAT Board of Directors may attend meetings of the Committee and may contribute to discussions on matters under consideration.
- 2.5. The Committee may appoint such co-opted, non-voting members as agreed by the DoWMAT Board. These members will serve in an advisory capacity and may include staff nominated by the CEO, following consultation with the Committee.
- 2.6. Only full members of the Committee, as approved by the DoWMAT Board of Directors, shall have the right to vote on any resolution placed before the committee. Where there is an equality of votes for and against a particular resolution the matter will be referred back to the next full meeting of the DoWMAT Board of Directors.

3. QUORUM

- 3.1. The quorum shall be not less than 2 members on the Committee.

4. MEETINGS

- 4.1. The Committee shall meet at least 3 times a year, or more if required.
- 4.2. The Committee's Chair or two Committee members may call an extra-ordinary meeting. Other members of the DoWMAT Board of Directors may be invited to attend the meetings.
- 4.3. The Chair of the Committee will be elected annually. If the Chair is absent from a Committee meeting, then the Committee will choose another Committee member to act as Chair for that meeting.
- 4.4. Agendas for meetings will be agreed by the Chair of the Committee before any meeting and minutes from previous meetings/agendas will be sent out to Committee members at least five days before a Committee meeting.
- 4.5. Any decisions taken must be determined by a majority of votes of Committee members present and voting – but no vote can be taken unless a majority of those present are Directors / Trustees.

5. TERMS OF REFERENCE

This section sets out the most significant responsibilities of the Committee. It is not an exhaustive list and can be amended at the Committee's discretion – subject to the agreement of the Board – to ensure objectives are met.

5.1. IN RESPECT OF FINANCE

- To approve and monitor a three-year financial plan as presented by the CEO and Head of Finance.
- In consultation with the Chief Executive Officer and Head of Finance, input into and approve the consolidated budget plan of the financial year ready for approval at the Full Trustees' Meeting in the summer term of each year.
- To review an up to date budget position statement quarterly and to report significant anomalies from the anticipated position to the Board of Trustees.
- To ensure that the Trust operates within the Financial Regulations of the ESFA and the Trust's own financial policies and procedures.
- To monitor expenditure of all voluntary funds with the Trust.
- To annually review charges and remissions policies and expenses policies.
- To make decisions in respect of centralised service agreements in line with the Appendix 1 – Authorisation Limits as set in the DoWMAT Financial Handbook.
- To make decisions on expenditure relating to the whole of the Trust.
- To agree expenditure above the appropriate levels for Executive Officers as stated in the Trust's Finance Policy.
- To review and approve financial statements that have been prepared by the Head of Finance for inclusion on the website.
- To determine whether sufficient funds are available for pay increments as recommended by the Executive Leadership Team.
- To set up such committees as are necessary to support the financial running of the Trust, including to oversee the Remuneration Committee.

5.2. IN RESPECT OF AUDIT

- To review the Trust's internal and external financial statements and reports to ensure that they reflect best practice.
- To review the external auditor's reports, including the annual Report to Management and other reports on the Trust's accounts, to ensure that best practice is being applied and value for money is being achieved.
- To ensure that any recommendations made by the auditors are implemented in a timely fashion.
- To annually appoint and direct the officer responsible for Internal Scrutiny.
- To review the effectiveness of the Trust's internal control systems to ensure that the aims, objectives and key performance targets of the school are achieved in the most economic, effective and environmentally preferable manner.

- To review the Internal Scrutiny reports and ensure that recommendations are implemented in a timely manner.
- To ensure all financial risks are mitigated and to undertake a review of the Risk Register on an annual basis.

5.3. IN RESPECT OF RISK

- To ensure identification of risks and assessment of potential impact and likelihood.
- To oversee the implementation of appropriate mitigating control measures
- To have oversight of the Trust Risk Register
- To direct the Trust's programme of internal scrutiny so as to provide assurance on key risk mitigations
- To ensure risk management processes are integrated into the management and operation of the Trust.
- To report to the full board on the adequacy of the trust's internal control framework, including financial and non-financial controls and management of risks.

5.4. IN RESPECT OF RESOURCES AND PREMISES

- Assure Board of Directors that they meet all requirements regarding statutory compliance, solvency and probity.
- Ensure financial resources available to the Trust are managed effectively and efficiently, to provide a quality education for the children in the academies that is value for money.
- Provide internal scrutiny and a strong policy, monitoring, evaluation and reporting framework so the Trust and its schools function in line with the Academy Trust Handbook.
- Ensure public money given to educate the children on roll is used effectively and efficiently so they make at least good progress in all aspects of learning, formation, attainment and progress.
- Enable the Board of Directors to be accountable for the use of: public monies, charitable assets (premises and buildings); and all other resources held in the ownership of the Trust, by ensuring high standards of management and administration of the Trusts' finances and resources.
- Make recommendations to the Board of Directors and to other committees as necessary and appropriate.

5.4 COMMITTEE DUTIES IN RESPECT OF PAY AND REMUNERATION

- Determine the overall reward and remuneration strategy for the Trust.
- Determine the total annual or periodic pay award.
- Determine the remuneration and terms of service of the Executive and Central teams.
- Review pay progression of Central Staff based on performance management recommendations in line with the Trust's pay policy and procedures.
- Review pay progression of Executive Headteachers, Headteachers and Head of Schools based on performance management recommendations in October in line with the Trust's pay policy and procedures.
- Review Pay Policy for Executive Leaders, Teachers and Support Staff

- Review and scrutinise annual pay increases for Teachers and Support staff.
- Make determinations in respect of audit of Performance Management and pay
- To agree an appropriate procedure for staff pay appeals and that all staff are made aware
- Determine the policy for, and scope of, the pension arrangements for the Executive Directors.
- Ensure that the terms of termination of the service of any Executive Director, and any payments made, are fair to the individual, and to the Trust.
- Ensure that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Keep under review the appropriateness and relevance of the remuneration policy of the Trust.
- Oversee any major changes in employee benefits structures throughout the Trust.
- To ensure the Trust submits and publishes the required pay equality information.
- Analyse any gender pay gaps and any challenges in achieving pay equality in the Trust and any success on closing the gender pay gap.
- Seek professional advice as necessary.

6. REPORTING

6.1. The Committee Chair shall report the proceedings of the Committee to the next following meeting of the Board of Directors.

6.2. The Committee's duties and activities during the year shall be disclosed in the annual report of the Trust.

7. CONFIDENTIALITY

7.1. All information provided by an academy or the CEO and Trust Officers about an academy, is received on the basis of strict confidentiality. Documentation of the Finance and Audit Committee is strictly confidential unless marked 'Public'.

8. REVIEW

These terms of reference will be reviewed annually and recommended by the Finance, Audit and Risk Committee to the Board of Directors for their approval.

Date of ratification: _____

Signed:
(Chair of FA&R Committee) _____

Date of signature: _____

Document History

Date	Author	Summary Changes	Approved by
30.06.2025	Vicky Rudge	<ul style="list-style-type: none"> ▪ Annual Review ▪ Removed attendance of Director of Operations and changed 'Director of Finance' to 'Head of Finance'. 	Trust Board
26.11.2024	Vicki Shelley	Approved by DoWMAT Trust Board	Trust Board
05.11.2024	Vicki Shelley	<ul style="list-style-type: none"> ▪ Annual Review ▪ Changed the name of the committee to add risk ▪ Added in requirement to manage the school estate and statutory compliance effectively ▪ Added attendance of the CEO, Head of Finance, Director of Operations ▪ Increased to three meetings a year (from 2) ▪ Added section on resources and premises ▪ Reference to Head of Finance (Instead of COO) ▪ Added additional points regarding pay progression across the trust ▪ Added approval for ToR required by the Board. 	F&A Committee
29.11.2023	Claire Davies	Review	F&A Committee