

Terms of Reference for the Local Governing Board Finance and Resources Sub-Committee

Purpose

The role of the committee is to maintain strong oversight and compliance with the Trust's financial procedures and monitor the efficient use of resources within the Academy.

Membership and quorum

The Local Governing Board Finance and Resources Committee will be appointed by the Local Governing Board (LGB). The minimum number of Local Governors appointed to the committee should be three so that there are enough members to hold a majority when voting on matters.

The Clerk to the governing board should also act as the Clerk for the committee.

The committee shall appoint a Chair from the committee membership.

Membership will be decided based on the LGB's skills audit – the Local Governors with the required skills and knowledge will be appointed to the committee.

Only full members of the committee who have been approved by the LGB will have the right to vote on any matters. The committee may decide to appoint non-voting members, as approved by the LGB, who are able to provide advice on matters relating to financial planning or monitoring. Associate members may be members of the finance committee but will not have any voting rights – appointments and terms of office should be recorded in the minutes of a LGB meeting.

The quorum of the committee will be one half of the number of members within the committee, rounded up to the nearest full number. For example, if the committee consists of five members, a minimum of three members must attend the meeting to meet the quorum.

One Director shall be entitled to attend any meetings of the LGB. The Director shall count towards the quorum for the purposes of the meeting and shall be entitled to vote on any resolution being considered by the LGB. The presence of a Director will constitute one vote in any such matters.

Term of office

The committee will be appointed annually by the LGB and shall hold office from either the date of their appointment until their resignation, or their omission from membership of the committee on subsequent consideration by the LGB – whichever occurs first.

The Chair of the committee will be appointed annually. A Local Governor is permitted to stand as Chair of the committee at the end of their term of office.

Meetings

The committee will meet as often as is necessary to fulfil its responsibilities, including in relation to timescales outlined in the Trust's financial policies and procedures, but at least once per term.

The Chair of the committee or any three committee members may, by giving notice in writing to the Clerk, call unscheduled meetings as long as appropriate notice of at least seven working days is given to the other members of the committee. A shorter notice period may be given where the Chair of the committee decides a particular financial issue needs addressing immediately.

The frequency and dates for committee meetings will be considered before the first Autumn term of the academic year.

The Clerk to the committee (who acts as the Clerk to the governing board) will circulate an agenda, copies of minutes of the previous meeting and any papers to be considered no fewer than seven working days prior to the meeting.

Members will withdraw from the full meeting if there is an identified or potential conflict of interest, or there is a motion to question their ability to remain impartial.

The Clerk will take minutes of the meeting. These will be approved by the Chair of the committee as accurate representations of the meeting, before they are handed to committee members for final approval at the next committee meeting. Following approval, the Clerk will distribute the minutes to the LGB.

Confidential minutes will only be shared with Local Governors who were present at the meeting where the confidential item was discussed.

The committee may invite non-members to meetings to assist or advise on a particular matter. These additional attendees will not be entitled to vote on any matters.

Every matter to be decided upon will be determined by a majority vote. Where there is an equal division of votes, the Chair will have the deciding vote. Each member of the committee who is present at the meeting will be entitled to one vote.

A register of attendance shall be kept for each meeting and will be published on the academy's website on an annual basis.

Committee responsibilities

In consultation with the Headteacher/Principal, to draft the first formal budget plan of the financial year.

- To establish and maintain an up to date financial plan.
- To ensure compliance with the Trust Finance Policy on all matters.

- To ensure that priorities in the Academy's development plan is appropriately financed.
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the LGB and, where appropriate, Directors, in line with the requirements of the Finance Policy.
- To ensure that the Academy operates within the financial regulations and guidance from DFE and within the Scheme of Delegation for the Trust.
- To monitor expenditure of all voluntary funds kept on behalf of the LGB.
- To ensure, as far as is practical, that funding for Health and Safety issues are appropriately prioritised.
- To ensure sufficient funds are available for pay increments as recommended by the Headteacher/Principal for all (other) staff.
- In the light of the Headteacher/Principal's Performance Management Panel's recommendations, to ensure sufficient funds are available to cover any recommendations for an incremental allowance.
- To consider finance and resource recommendations from other committees which will have an impact on the Academy budget.
- To make decisions in respect of service agreements, as delegated by the Directors.
- To review local policies as assigned by the LGB, ensuring compliance with any Trust policies/guidance.
- To report back to the LGB.
- To assure best value and impeccable systems of financial management.