

## Finance & Resources Committee

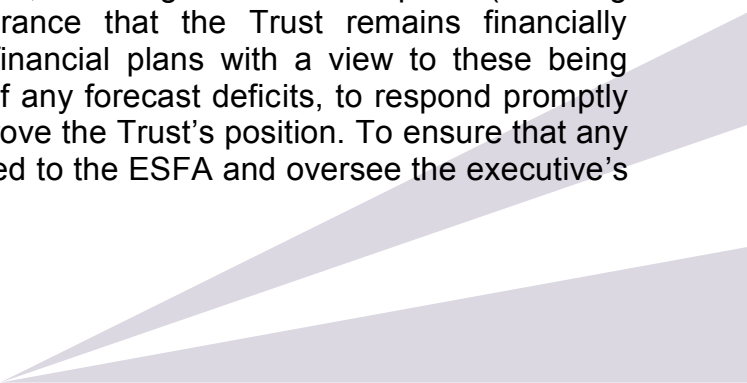
### General

Sub-Committees of the Trust Board are formed to support the function of the Board and to aid Trustees in delivering their duties. Sub-Committees are not therefore operational or management committees but **governance and oversight** committees. Responsibility for the Trust's financial performance and resource management has been delegated to the Chief Executive (the accounting officer) and through him/her to the Chief Financial Officer and wider executive team. It is for the executive to find solutions and design approaches that will deliver excellent financial performance on behalf of the Trust's stakeholders. It is for the Board and its sub-committees to seek assurance that the executive has the capacity to do this and to monitor the impact of executive action as manifested in results.

Committees will generally be involved in the following key activities:

- Reviewing results and outcomes against agreed Key Performance Indicators and targets.
- Making enquiry into the “enablers” that have led to results e.g. strategies, management approaches, policies.
- Agreeing and monitoring improvement priorities.
- Recognising success and achievement.

### Core Terms of Reference

1. To ensure that effective financial and resource management strategies are developed and implemented through clearly defined policies, processes, and procedures. To ensure that these strategies align with the Trust's overall strategy and growth plans.
  2. To receive the Trust's management accounts by email on a monthly basis and review these at every meeting of the Committee. In particular, to understand any significant variances against budget and how these might impact on financial plans. To ensure that arrangements are in place for regular bank reconciliations.
  3. To scrutinise the Trust's short, medium, and long-term financial plans (including capital expenditure) and seek assurance that the Trust remains financially sustainable throughout. To oversee financial plans with a view to these being cash neutral or positive. In the case of any forecast deficits, to respond promptly by overseeing executive action to improve the Trust's position. To ensure that any potential deficits are pro-actively notified to the ESFA and oversee the executive's dialogue with relevant stakeholders.
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4. To review performance against agreed targets and KPIs at every meeting and to seek assurance that improvement opportunities have been properly understood and prioritised. Analysis will include trends and year on year comparisons where necessary.
5. To review the Trust's annual Report & Accounts in collaboration with the Audit & Risk Committee and seek assurance about the Trust remains a Going Concern.
6. To receive and review regular financial risk management reports detailing existing and/or emerging financial risks and agree mitigating action. This will include scrutiny of the financial aspects of the Trust's risk register on a regular basis.
7. To review the effectiveness of the Trust's financial forecasting and planning, including the models and tools used for this purpose.
8. To seek and review external benchmarks and other sources of independent validation of the Trust's financial planning and modelling.
9. To test and understand the financial impact and resource requirements of curriculum development proposals emerging from the Quality & Stakeholder Experience Committee. To do the same for any People Management proposals, including pay.
10. To test and understand the financial impact and resource requirements of proposals emerging from the Trust Development Committee regarding Trust growth and/or new markets. To do the same for any Estates Development proposals.
11. To oversee the development and monitoring of the Trust's IT Strategy to ensure that this optimises the student experience and that of other stakeholders.
12. To seek assurance that the Trust has the capacity to properly understand and assess value for money.
13. To seek assurance that the Trust remains compliant with its own Financial Regulations and to review these on an annual basis. To also ensure that the Trust remains compliant with the Academy Trust Handbook.
14. To annually review the Trust's contracts register and the management of this.
15. To annually review the adequacy of the Trust's insurance arrangements.
16. To agree any write-off of uncollected or uncollectable losses
17. To provide input to the Chief Financial Officer's annual Performance Development Review via the Chief Executive.
18. To report Committee output, including any identified risks, to the Trust Board on a termly basis, or more frequently if needed.

## **Way of Working**

The Committee will be led by evidence and data. It will establish benchmarks and trends wherever possible. Data will not be reported without commentary and analysis. Personal perceptions and anecdotal evidence will be discouraged. The committee will take steps to ensure that sources of external and independent validation are used wherever possible to provide assurance for the Trust's financial planning.

The attendance of staff at meetings will be driven by the agenda and at the discretion of the Chair.

The meeting environment will be driven by the agenda or external circumstances that may affect personal face-to-face attendance. Any decision about how the meeting should be held will be taken on the basis that it provides the best opportunity for participation, allowing all members to contribute within a safe environment that enables high-quality debate and oversight. The Chair of the Committee will have the autonomy to make this decision. Meeting environments that might be considered are:

- In person.
- Remote video conferencing (e.g. Zoom, Teams)
- Hybrid (where resources are available)

The Chair must apply caution to ensure the meeting environment is fit for purpose so that Trustees and/or Local Governors can fulfil their duties effectively. Meetings must also be UK GDPR compliant.

## **Delegated Authorities and Plan of Business**

The Board delegates financial authority to the Finance & Resources Committee of up to £75,000 within the parameters of the Trust's overall budget as agreed by the Board.

The Committee will determine for itself an annual Plan of Business that will deliver fulfilment of its terms of reference and delegated authorities. The Committee's delegated authorities and terms of reference will be reviewed by the Board annually.

## **Membership**

The Committee will comprise:

- A minimum of 3 Trustees and Local Governors (provided that Trustees are in the majority). A Committee Chair will be elected annually from these Trustees.

Likely attendees by invitation:

- The Chief Executive
- The Chief Financial Officer
- Institution Principals
- Central service team Directors

- The Governance Manager

## **Meetings**

The Committee will meet 4 times in each academic year.

In order to be quorate there must be at least 3 Trustees or Local Governors present (these do not need to be permanent members of the committee) provided that Trustees remain a majority of those present.