



TOVE LEARNING TRUST

## Tove Learning Trust Finance Committee

### Terms of Reference

*The TLT Board of Trustees has established a Finance Committee as required by the Academies Financial Handbook to delegate duties to ensure sound management of the Trust's financial resources, including planning, monitoring, probity and value for money. The Committee advises the Board regarding the year-end accounts, strategic matters with financial implications, and other key matters and reports to the Board and decisions taken in accordance with the Scheme of Delegation and delegated powers, including in respect of the Academies' assets and depreciation.*

#### 1. Responsibilities

- The Committee is required to fulfil its responsibilities as set out in these Terms of Reference in line with the Academies Financial Handbook, the Trust's Financial Scheme of delegation and in compliance with the Funding Agreement with the Secretary of State for Education.
- The purpose of the Finance Committee is to advise the Trustees on:
  - the financial health and solvency of the Trust
  - the financial implications of new initiatives and ventures
  - the financial implications of the Trust's capital planning and development opportunities
  - its actions and decisions as exercised under the Trust's Scheme of Delegated Authority.
  - Provide assurance on compliance with ESFA requirements
- The Finance Committee will report its findings termly and annually to the Trust Board and the Accounting Officer as a critical element of the Trust's annual reporting requirements.
- The Finance Committee has no executive powers or operational responsibilities/duties.

#### 2. Authority

- The Committee will report to the Board on any decisions taken in accordance with the Scheme of Delegation and delegated powers, including the Academies assets, depreciation and removal of such items from the asset register.
- The Finance Committee is a Committee of the Academy Trust Board and is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Board. It is authorised to request any information it requires from any employee, external audit, internal audit or other assurance provider.
- The Committee is authorised to obtain outside legal or independent professional advice it considers necessary, and may require experts to be present and to advise when drafting disclosures to be made in the Trust's annual Report and Accounts.

### 3. Composition

- The membership of the Committee will comprise a minimum of three members and a maximum of five members. A minimum of two Board Committee members must be trustees of the Trust (Trustees).
- The Board will appoint and remove all Committee members.
- Any trustee may attend a meeting of the finance committee, including those who are not members of the finance committee.
- The CEO will be an ex officio member of the Finance Committee.
- The Chief Financial Officer and other members of the Trust's staff may be invited to attend, but will have no voting rights.
- The Clerk to Trustees shall be the Clerk to the Committee.

### 4. Administration

- The Finance Committee will meet at least three times in each academic year. The Chair or any two members may call a meeting.
- The Chair of the Finance Committee will be appointed by the Board and will not usually be a member of the Audit Committee or the CEO. If the Chair is absent from a meeting, the members shall choose another member, who is also a member of the Board, to act as chair for that meeting.
- Until otherwise determined by the Board of Trustees, a quorum shall consist of 2 members of the committee.
- If a member of the Committee withdraws from the meeting due to a conflict (or potential conflict) of interests, the meeting must still be quorate in order for a vote to be conducted.
- The meeting agenda will be agreed in advance by the Chair of the Finance Committee (based on, but not limited to, a pre-agreed annual schedule of activity) and papers will be circulated to members and attendees at least 5 working days in advance of the meeting.

### 5. Reporting

The Finance Committee will:

- Report back to the Trust Board regularly every term.
- After each meeting the Committee will produce minutes within 14 days and agree these at their next meeting. These minutes will be referred to as the Committee Reports.
- The Committee Reports can be agreed by committee members by email.
- The Committee Reports will be shared electronically with the Board through an agreed medium within 14 days of each Committee meeting.
- Committees shall arrange for the production and delivery of such other reports or updates as requested by the Board from time to time.
- Each Committee shall conduct an annual review of its work and the powers and functions delegated to it under these Terms of Reference and shall report the outcome and make recommendations to the Board.

## 6. Terms of Reference

- These terms of reference should be read alongside the Financial Scheme of Delegation for the most up to date limits and authorities as set by the ESFA and board of trustees.
- To have the authority to approve the same level of expenditure (revenue and capital) and contracts as the Board.
- Subject to the detailed requirements of the Academies Financial Handbook, Funding Agreement and the Financial Regulations of the Trust, the Committee shall consider and advise the Board on the following specific matters, as set out in the TLT Committee Terms of Reference:

### ***Funding***

- 1 To consider each of the Academies indicative funding, notified annually by the DfE/ESFA and to assess its implications for the relevant Academy, drawing any matters of significance or concern to the attention of the Board.
- 2 To review and consider each of the Academies budgets each financial year and recommend acceptance or non-acceptance of these budgets to the Board.
- 3 To receive & review the Academies strategic plans, through the consideration of financial priorities and proposals, in consultation with the relevant the Principal and the Business Manager and with the stated and agreed aims and objectives of the relevant Academy.
- 4 To receive and make recommendations on the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in each of the Academies' strategic plans.
- 5 To consider requests from the Academies and the trust for exceptional expenditure and make appropriate recommendations to the Board.
- 6 To review financial policy including consideration of long-term planning and resourcing in accordance with each of the Academies' development plans.
- 7 To manage the Reserves of the trust in line with the Reserves policy including the proposals and recommendation to the board of any short and long term investments.

### ***Financial Scrutiny***

- 8 To monitor and review income, expenditure and cashflow on a regular basis and ensure compliance with the overall financial plan for the Academies, drawing any matters of concern to the attention of the Board.
- 9 To receive and review reports from the Academies about financial transactions notifiable to the ESFA i.e. related party transactions, pecuniary interests, settlements, transactions over delegated limits.
- 10 To review the award and expenditure of grants awarded to the trust and ensure they are spent in the way that it was intended.

### **Financial Procedures**

- 11 To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and where appropriate make recommendations for improvement.
- 12 To approve the financial statement that forms part of the annual report of the Board to stakeholders and for filing in accordance with requirements of the Companies Act, Charity Commission and Funding Agreement (including the Academies Financial Handbook).

### **Property Management**

- 13 To receive, consider and approve / decline requests from Academies about the acquisition or disposal of land, property or significant assets over the delegated authority levels.
- 14 To ensure that the Academies premises are inspected on an annual basis and that a planned and costed statement of priorities is prepared and reviewed.
- 15 To monitor the expenditure of the trust's allocation of School Capital Allowance and ensure the appropriate procurement and regularity procedures are followed.

### **General**

- 16 Reviewing or investigating any other relevant matters referred to the Trust Board.
- 17 Drawing any significant recommendations and matters of concern to the attention of the Trust Board.

These terms of reference were agreed by the TLT Finance Committee on **08/06/2020**

## **7. Membership**

<b>Name of Committee Member</b>	<b>Role</b>
Christopher Watt (Chair of Trustees)	Chair of Finance Committee
Duncan Nicholson (Trustee)	Member
Jamie Clarke (CEO)	Ex Officio/CEO/Accounting Officer
<b>Invited to attend</b>	
Sue Wagstaff	Chief Financial Officer
Lindsay Oake	Principal Accounting Officer
Katie Fell	Clerk to Committee

<b>Quorum:</b>	<b>At least 2 members of the committee</b>
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<b>Date Committee established:</b>	<b>8 June 2020</b>
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<b>Date of next review:</b>	<b>September 2020</b>
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